

State of Oklahoma Consolidated Plan Five-Year Strategic Plan 2024-2028

DRAFT 2024 Annual Action Plan



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### INTRODUCTION

The Community Development Block Grant (CDBG) Program is authorized under Title I of the Housing and Community Development Act of 1974, as amended. The small cities portion of the program appropriates monies to the Department of Housing and Urban Development (HUD) for allocation to the states. The Oklahoma Department of Commerce / Community Development (ODOC/CD), formerly the Department of Economic and Community Affairs, was assigned the administrative responsibility for the program in Oklahoma in 1982.

The primary National Objective of the State's CDBG program is:

"THE DEVELOPMENT OF VIABLE URBAN COMMUNITIES, BY PROVIDING DECENT HOUSING AND A SUITABLE LIVING ENVIRONMENT, AND EXPANDING ECONOMIC OPPORTUNITIES, **PRINCIPALLY FOR PERSONS OF LOW INCOME**."

The use of the "benefit to low and moderate income-persons" CDBG National Objective is considered a funding PRIORITY under the State's CDBG Program and is treated as such under the State's individual CDBG set-asides. All project proposals submitted for funding through the State's CDBG Program must document the achievement of the low and moderate-income National Objective as delineated in 24 CFR §570.483 (Criteria for National Objectives).

✓ Provide benefit to low and moderate-income persons.

It is estimated that, at a minimum, 95% of funds will be utilized on projects that meet the primary national objective of benefit to low- and moderate-income persons. Each state administering the CDBG program is allowed the flexibility of determining its priorities from the range of eligible activities under Section 105(a) of the Housing and Community Development Act. To formulate the State's CDBG program, views on priorities are requested and received from the public, municipalities, and counties through written surveys, public hearings and written comments on proposed plans.

Distribution and management of the Community Development Block Grant funds allocated to Oklahoma will rely on a process that permits local communities to request assistance through the submittal of a formal application. Applicants are required to complete and submit their respective application and applicable attachments online at the following OKGrants web address: <a href="https://grants.ok.gov">https://grants.ok.gov</a>. No paper applications will be accepted. ODOC/CD shall conduct an evaluation of applications to ensure compliance with the National Objectives, all thresholds and program requirements. Application guidelines with specific application requirements can be found at the ODOC/CD website: <a href="https://www.okcommerce.gov/community-development/">https://www.okcommerce.gov/community-development/</a>. Prospective applicants should review the application guidelines or properly submit required application documentation may result in a FAILED or DENIED application rating.

### **ELIGIBLE APPLICANT**

Eligible applicants are units of local government (incorporated towns, cities, and counties) that are **not** participants in the CDBG Entitlement Program. Oklahoma's entitlement cities are Edmond, Enid, Lawton, Midwest City, Moore, Norman, Oklahoma City, Shawnee, and Tulsa as well as the units of local government participating in the CDBG Urban County Designation for Tulsa County which consists of the following:

City of Broken Arrow City of Owasso City of Skiatook
City of Broken Arrow City of Owasso Town of Sperry

City of Collinsville City of Sand Springs Unincorporated Tulsa County

City of Glenpool City of Sapulpa

### **GRANT ALLOCATION**

### Funding for the Fiscal Year 2023 CDBG Program:

HUD Allocation:	\$14,136,687
Less State administrative allowance:	\$382,733
Less State technical assistance:	\$141,368

Total available for distribution: \$13,612,586

### CDBG Set-Aside Funding Distribution:

### Public Facility and Improvements \$12,172,586

Water and Wastewater Engineering	\$3,000,000
Water and Wastewater Construction	\$4,802,586
Community Revitalization	\$1,500,000
CDBG-REAP	\$1,500,000
Small Cities	\$1,370,000

### **Planning**

Capital Improvement Planning (CIP) \$440,000

### **Economic Development**

Economic Development Infrastructure Financing (EDIF) \$1,000,000

Program Income from the State's Economic Development Revolving Loan Fund shall be used to fund CDBG activities as described in this Plan. The **estimated** amount of program income made available during the program year will be \$1,000,000.

The Oklahoma Department of Commerce reserves the right to adjust set-aside and category allocations to ensure maximum utilization of funds. This includes the use of any CDBG funds recovered from cancelled or de-obligated CDBG projects. Such adjustments shall be the minimum amount necessary to fund projects efficiently and best facilitate the State's CDBG Program obligation and expenditure requirements established by HUD.

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### **GUIDELINES FOR SET-ASIDES**

### **Audit Requirements**

To be eligible to apply for funds in any category, units of general local government must demonstrate the ability to manage federal funds utilizing generally accepted principles of accounting. TOWNS AND CITIES (COUNTIES ARE EXEMPT) MUST SUBMIT A COPY OF THEIR AUDIT OR THE AGREED UPON PROCEDURES BY THE APPLICATION DEADLINE. ALL TOWNS AND CITIES THAT HAVE A JUNE 30, FISCAL YEAR END DATE ARE REQUIRED TO SUBMIT A COPY OF THEIR FY 2023 AUDIT AND TOWNS AND CITIES THAT HAVE A DECEMBER 31, FISCAL YEAR END DATE ARE REQUIRED, AS A MINIMUM, TO SUBMIT A COPY OF THEIR FY 2022 AUDIT. NO APPLICATION WILL BE CONSIDERED FOR REVIEW OR FUNDING THAT DOES NOT MEET THE REQUIREMENTS STATED ABOVE.

If the city or town receives less than \$50,000 in annual revenues from its normal business and does not have an audit or agreed upon procedure, the city or town cannot apply directly to ODOC/CD. The city or town can apply only by having the local County apply on their behalf if the County chooses to do so. Nothing contained herein mandates a county to act as an accommodating party.

### **Application Submission Requirements**

- 1. City/Town and County (Direct Jurisdiction) Applicants: City/Towns and Counties receiving a direct jurisdictional benefit may submit only one (1) grant application per CDBG Program Year selecting from CDBG Water/Wastewater Engineering, Water/Wastewater Construction, Community Revitalization, or Rural Economic Action Plan (REAP). A City/Town and County (Direct Jurisdiction) cannot submit a CDBG application if it currently has an open CDBG grant. Exclusions: Economic Development Infrastructure Financing (EDIF), Capital Improvement Planning (CIP). Typical County direct jurisdiction CDBG application projects are roads, bridges, County hospital, etc. In the case of fire truck funding requests, the County would have to own and operate the fire trucks to qualify under direct jurisdictional benefit.
- 2. County Sponsored Applicants: Counties acting in a "sponsorship" capacity may submit a maximum of one sponsored CDBG grant application per CDBG Program Year selecting from Water/Wastewater Engineering, Water/Wastewater Construction, Community Revitalization, or Rural Economic Action Plan (REAP). Limitation: Counties may ONLY have one (1) open sponsored CDBG grant and still make another sponsored CDBG application. Counties cannot exceed a maximum number of two open sponsored CDBG grants open at any given time. Exclusions: Economic Development Infrastructure Financing (EDIF), Capital Improvement Planning (CIP). Counties may sponsor applications where they do not have direct jurisdiction over certain public functions. Generally, these are communities with less than \$50,000 in revenue, Rural Water Districts, and Rural Fire Districts. Counties CANNOT submit a single application containing multiple Units of General Local Governments or jurisdictions such as Rural Fire Districts under a single county sponsored application.

### Leverage

The State's CDBG Program requires that all leveraged CDBG project funding be in place at the time of the application submission. There are several reasons for this. First, the HUD based CDBG Program imposes program specific obligation and expenditure requirements. Most importantly, an applicant may simply not receive the leveraged funding as intended. Second, applicants

without secured leverage funding at the time of the application submission would require additional time for securing the funds adding time to the overall project completion timeline. Third, there is no foreseeable way to impose an additional timeframe for the allowance to secure leveraged funding that would be fair to all applicants given the varied types of outside funding available.

### **CDBG Project Eligibility Policy**

Prospective CDBG Program applicants are strongly encouraged to review (24 CFR 570 Subparts A, C, I, K, and O) of the Electronic Code of Federal Regulations (<a href="https://ecfr.io/Title-24/">https://ecfr.io/Title-24/</a>) for additional regulatory CDBG Program guidance as related to State CDBG Programs. The Housing and Community Development Act Section 105(a) and 24 CFR 570.482 defines eligible activities under the State CDBG Program. While some regulatory language is direct, there are instances where more clarity is needed.

It is the policy of ODOC/CD that should a prospective CDBG Program applicant request a CDBG project/activity that does NOT appear directly eligible and cannot be immediately determined as ineligible as interpreted from CDBG regulatory guidance and ODOC/CD staff that the applicant can formally request ODOC/CD to seek a final determination from HUD officials.

- a. The prospective applicant will be required to submit a project/activity narrative regarding the requested activity. This will be required by HUD to conduct their review and make a determination. It is the responsibility of the prospective applicant to provide the narrative. The submission of the narrative to ODOC/CD will be seen by as the formal request to seek a final determination from HUD.
- b. Once a detailed project narrative is received by ODOC/CD, it will be submitted to the Oklahoma City HUD office for a final eligibility determination.

Prospective applicants are advised to seek project/activity guidance as soon as possible from ODOC/CD if they have eligibility concerns. Prospective applicants should be aware that final CDBG regulatory and program guidance can take several months to receive from HUD. ODOC/CD understands that prospective applicants are subject to CDBG application deadlines; however, in absence of a final project/activity determination from HUD, ODOC/CD cannot allow an award for any requested CDBG project/activity that cannot be determined to be directly CDBG eligible. If the project/activity eligibility determination has not been received from HUD by the CDBG application deadline, the application will receive a FAIL threshold rating. Applicants are advised to consider that a determination may not be received by the CDBG application submission date.

### **Definition of Standard Vs. Substandard for Rehabilitation**

The State defines a standard condition as those units, that at a minimum, meet applicable federal standards and local building codes.

Furthermore, the State defines a "substandard condition but suitable for rehabilitation" as units that may be structurally sound, but they do not provide adequate and safe shelter, and in their present condition may endanger the health and safety of occupants.

### **WATER & WASTEWATER ENGINEERING**

The purpose of this Application Guide is to provide guidance in preparing a Community Development Block Grant (CDBG) Water/Wastewater Engineering application for the Oklahoma Department of Commerce / Community Development (ODOC/CD). The primary goals of the CDBG Water/Wastewater Engineering Program are to (1) ensure the most proper technical solutions to the applicant's water and wastewater problems within the budget that is available; and (2) improve coordination among other state agencies (both permitting and financing). It is important to note that given the design and intent of the State's CDBG Water/Wastewater Engineering Program, an eligible application must contain an engineering component regardless of whether CDBG or leveraged funds are paying for this cost.

NOTE: STARTING WITH THE FY 2019 CDBG APPLICATIONS, the former CDBG Water/Wastewater Engineering Phase I and CDBG Water/Wastewater Phase II Programs have been merged into one single program. This new program is now known as "CDBG Water/Wastewater Engineering" and will use a single application to allow for both engineering and construction.

Applicants submitting under the CDBG Water/Wastewater Engineering Program may elect to either have (1) CDBG funds pay for the engineering, construction, administration, permitting, and other costs associated with water/wastewater project; or (2) provide a combination of CDBG funds and other funds to pay for these costs.

Applicants who successfully compete under the CDBG Water/Wastewater Engineering Program and receive an award will be subject to the following project timeline. Prospective applicants should note that this timeline will be strictly enforced by ODOC/CD in order to ensure the timeliness of CDBG expenditures as required by the U.S. Department of Housing and Urban Development (HUD). CDBG Water/Wastewater awardees will receive a three (3) year contract structured as follows:

- 1. Year One The sub-recipient will be required to successfully complete project engineering and achieve Release of Funds within one (1) year. ODOC/CD will carefully monitor project activity and subsequent progress. Allowable engineering costs will be based on the U.S. Department of Agriculture Rural Development (USDA-RD) sliding scale. Once the Oklahoma Department of Environmental Quality (ODEQ) permit and Oklahoma Department of Commerce/Community Development (ODOC/CD) Release of Funds requirements are complete (regardless of the source of funds), the sub-recipient will be able to proceed with project construction.
- (a) If the above deliverables are not met, the contract will be subject to de-obligation by ODOC/CD.
- (b) As part of ODOC/CD's monitoring and evaluation of the project's engineering progress, the sub-recipient must submit all required documentation to the ODOC/CD monitor in a timely manner. Failure to submit any or all required documentation will result in contract deobligation.
- (c) Should the contract be de-obligated, any expended CDBG funds will be required to be reimbursed by the sub-recipient. The contract will remain open until repayment is made during which time the sub-recipient will not be eligible to apply for additional CDBG funding.

- (d) An ODOC/CD review committee will determine de-obligation of the CDBG funding if the project's engineering has NOT been satisfactorily completed and Release of Funds has NOT been obtained. This review committee will be composed of ODOC/CD staff to include: CDBG Planners, the Director of Programs (Planning & Monitoring), and Division Director.
- (e) If a sub-recipient is de-obligated "in good standing" without any CDBG funds expended or has made the proper CDBG repayment as deemed necessary, the sub-recipient could close the contract and reapply during the next year's application cycle.
- **2. Years' Two & Three** Project construction will be allowed for a period of two (2) years plus any time left available should the engineering and Release of Funds be accomplished before the one (1) year engineering limit is reached.

The grant maximum for the CDBG Water/Wastewater Engineering application is \$600,000. The maximum amount of CDBG Water/Wastewater Engineering funds that may be used for project administration is eight percent (8%) of the total CDBG Water/Wastewater Engineering funds awarded for total construction and professional/non-construction funds provided. All CDBG Water/Wastewater Engineering applications must be received no later than May 3, 2024. Applications received after this date will NOT be considered for funding.

Any funds not applied for in the CDBG Water & Wastewater set-aside will be transferred to another set-aside as determined by ODOC/CD.

Applicants are required to complete and submit their respective application and applicable attachments online at the following OKGrants web address: https://grants.ok.gov. NO PAPER APPLICATIONS WILL BE ACCEPTED. Application guidelines and specific program requirements be found at the **OKGrants** web address: can https://okcommerce.gov/community/cdbg/. Prospective applicants should review the application guidance BEFORE attempting to complete the online application. Failure to meet application guidelines or properly submit required application documentation may result in a FAILED or DENIED application rating.

### THRESHOLD REQUIREMENTS FOR CDBG WATER & WASTEWATER ENGINEERING

- CDBG Water/Wastewater Engineering requests for funds must meet the principle CDBG National Objective of providing a direct benefit (fifty-one percent [51%] or more) to persons of low and moderate-income.
- 2. Cities, Towns and Counties with previous CDBG funding <u>must have close-out documents</u> submitted by January 31, 2024.
  - (a) City/Town and County (Direct Jurisdiction) Applicants: City/Towns and Counties receiving a direct jurisdictional benefit may submit only one (1) grant application per CDBG Program Year selecting from CDBG Water/Wastewater Engineering, CDBG Water/Wastewater Construction, CDBG Community Revitalization, or CDBG Rural Economic Action Plan (REAP). A City/Town and County (Direct Jurisdiction) cannot submit a CDBG application if it currently has an open CDBG grant. Exclusions: Economic Development Infrastructure Financing (EDIF), Capital Improvement Planning (CIP). Typical County direct jurisdiction CDBG application projects are roads, bridges, County hospital, etc.

- (b) County Sponsored Applicants: Counties acting in a "sponsorship" capacity may submit a maximum of one sponsored CDBG grant application per CDBG Program Year selecting from Water/Wastewater Engineering, Water/Wastewater Construction, Community Revitalization, or Rural Economic Action Plan (REAP). Limitation: Counties may ONLY have one (1) open sponsored CDBG grant and still make another sponsored CDBG application. Counties cannot exceed a maximum number of two open sponsored CDBG grants open at any given time. Exclusions: Economic Development Infrastructure Financing (EDIF), Capital Improvement Planning (CIP). Counties may sponsor applications where they do not have direct jurisdiction over certain public functions. Generally, these are communities with less than \$50,000 in revenue, Rural Water Districts, and Rural Fire Districts.
- 3. Per the design and intent of the State's CDBG Water/Wastewater Engineering Program, the following application specific limitations or restrictions are in place.
  - (a) Applicants can apply for up to a \$600,000 grant maximum.
  - (b) Applicants may not apply for more than one (1) project activity per application under this CDBG Water/Wastewater Engineering set-aside.
  - (c) A CDBG Water/Wastewater Engineering application must contain an engineering component regardless of whether CDBG or leveraged funds are being committed as payment. This is documented through the submission of the required Preliminary Engineering Report at the time of application submission.
  - (d) The CDBG Water/Wastewater Engineering application pursuant with 24 CFR §570.207 will not fund equipment only requests. The purchase of equipment under CDBG is generally ineligible except under very limited conditions as outlined in 24 CFR §570.207. Requests such as water meters must be encompassed by a broader type of water/wastewater project. Applicants are encouraged to review the entire regulation and should immediately consult ODOC should there questions as to the eligibility of their prospective project funding request.
- 4. A proper sponsor for CDBG Water/Wastewater Engineering projects is defined as a Unit of Local government with direct jurisdiction over the majority (60%) of the proposed project beneficiaries.
- 5. Proof that citizen participation requirements have been met, as evidenced by an application phase public hearing and written Citizen Participation Plan.
- All cost estimates shall be obtained from professional sources and submitted with the application. These estimates must be certified and from professional engineers, architects, construction companies, vendors, or appropriate personnel with experience to make such estimates.
- 7. The CDBG Water/Wastewater Engineering grant request cannot exceed \$2,000 per beneficiary.
- 8. TOWNS AND CITIES (COUNTIES ARE EXEMPT) MUST SUBMIT A COPY OF THEIR AUDIT OR THE AGREED UPON PROCEDURES BY THE APPLICATION DEADLINE. ALL TOWNS AND CITIES THAT HAVE A JUNE 30, FISCAL YEAR END DATE ARE REQUIRED TO SUBMIT A COPY OF THEIR FY 2023 AUDIT AND TOWNS AND CITIES THAT HAVE A

DECEMBER 31, FISCAL YEAR END DATE ARE REQUIRED, AS A MINIMUM, TO SUBMIT A COPY OF THEIR FY 2022 AUDIT. NO APPLICATION WILL BE CONSIDERED FOR REVIEW OR FUNDING THAT DOES NOT MEET THE REQUIREMENTS STATED ABOVE.

If a city or town receives less than \$50,000 in annual revenues from its normal business and does not have an audit or agreed upon procedures, the city or town cannot apply directly to ODOC/CD. The city or town can apply only by having the local County apply on their behalf if the County chooses to do so. Nothing contained herein mandates a County to act as an accommodating party.

- 9. Applicants are responsible for accomplishing online application corrections/revisions along with any applicable application upload corrections/revisions as directed by ODOC/CD staff within the pre-determined deadline. In fairness to other applicants and in order to maintain HUD required ODOC/CD's CDBG funding expenditure rates; ODOC/CD can NOT indefinitely hold applications until the respective application corrections/revisions are accomplished. Applications will be considered INCOMPLETE if the prescribed corrections/revisions are not made to the application within the pre-determined deadline established by ODOC/CD. This will result in a FAILED threshold application rating.
- 10. The Application Guidelines associated with this CDBG Water/Wastewater Engineering set-aside contains an APPLICATION FORMS CHECKLIST outlining all application related documentation required to be uploaded into the online OKGrants application. It is the applicant's responsibility to follow this checklist and seek additional guidance from ODOC/CD staff as required. Applicants will be responsible for following and providing each item listed on the checklist. Failure to provide any of the required application documentation listed on the checklist will result in a FAILED application rating. Additionally, applicants must provide a response to all application questions and satisfy all documentation requirements delineated in the CDBG Water/Wastewater Engineering Application Guidelines and online OKGrants Application System including, but not limited to: Resolution, income survey results, resolution requesting assistance, survey maps, certifications, HUD Form 2880 Applicant Recipient Disclosure Update Report, project budget, etc.
- 11. The application must sufficiently demonstrate an applicant's need for the requested CDBG activity. For any requested CDBG project, there is an underlying "need" for such a project. It is the responsibility of the applicant to communicate to ODOC/CD why the CDBG activity is being requested in the application. Failure to adequately demonstrate a project need will result in a FAILED threshold application rating. The project need is communicated in the "Project Description" section of the "CDBG Application Summary" page of the online OKGrants application. Additional narratives and supporting documentation can be uploaded in the "Uploads" page of the OKGrants application if required.

### RATING CRITERIA FOR WATER & WASTEWATER ENGINEERING

Water and Wastewater applications, which meet threshold criteria, will be ranked for funding utilizing the following criteria:

1. Project Benefit to Low- and Moderate-Income Persons (2 - 15 points).

LMI %	Points	# LMI Persons	Points
51 - 55	1	0 - 250	1

56 - 60	2
61 - 65	3
66 - 70	4
71 - 75	5
76 - 80	6
81 - 85	7
86 - 90	8
91 - 95	9
96 - 100	10

251 - 500	2
501 - 750	3
751 - 1,000	4
Over 1,000	5

### 2. Severity of Need Water and Wastewater Projects (0 - 10 points).

Projects will be rated on water and wastewater associated documented health, safety, and welfare hazards. Water and wastewater health, safety, and welfare deficiencies may be documented in one of two ways: (1) through the presence of a legal enforceable order issued by Oklahoma Department of Environmental Quality (ODEQ) or the U.S. Environmental Protection Agency (EPA), or (2) by written confirmation of a "hazard" from ODEQ that specifically states the cause and extent of the water or wastewater, health, safety, and welfare deficiency. ODOC/CD will only accept "documented hazard" Water and Wastewater related health, safety, and welfare hazard documentation from ODEQ and EPA sources. Claims using "Legal Enforceable Orders" and "Documented Hazards" will be verified by ODOC/CD through the applicant's submitted supporting documentation.

Water and Wastewater projects that document health, safety, and welfare hazards involving legal enforceable orders will be rated on a separate scale of severity than written documentation of hazards. The two separate severity of need categories are as follows:

Legal Enforceable Orders 10.0 Points

Documented Hazards 5.0 Points

No Documentation 0.0 Points

**Severity of Need (0 - 5 points) Water and Wastewater Projects for New Housing Construction:** Projects for Water and Wastewater system expansions serving new housing developments shall be rated on their verification of the extent of the local jurisdictions housing shortage as documented by an official housing market analysis that clearly concludes a projected 3-5 year demand for a specific number of single family ownership units and/or rental units. Points will be determined by the level of impact based on the following criteria:

- √ Vacancy rates
- ✓ Population growth
- ✓ Projected job growth
- ✓ Number of units + Total units

### 3. Residential Water Rate Structure (-3 to +3 points)

Project proposals will earn points based on the first 5,000 gallons of their most current associated water rate structure. Water rate structures that favor both strong fiscal

management and conservation awareness will be analyzed and awarded points by using portions of the Oklahoma "Water Resources Board's Grant Priority Point Evaluation Policy". Points will be awarded based on the following table:

<u>Flat Water Rate</u>: Unmetered charges on unmetered systems that charge a fee without regard to the amount of water used, unless the proposed project involves metering of all taps on the system. **-3 points** 

<u>Decreasing Block Water Rate</u>: Price per unit of water becomes lower as the quantity of water use increases. **-3 points** 

<u>Fixed/Uniform Water Rate</u>: Price per unit of water, in excess of any base or minimum charge, remains constant. **0 points** 

<u>Increasing Block Water Rate</u>: Price per unit of water increases as the quantity of water use increases. **+3 points** 

### 4. Residential Water and Wastewater Rates (0 - 7 points)

All water and wastewater category projects will also receive points based on the revenue generating capacity of their rate structures. Water and Wastewater rates will be analyzed and awarded points by using portions of the Oklahoma "Water Resources Board's Grant Priority Point Evaluation Policy". The appropriate table of points is determined based on the type of services provided by the system operator. If the system operator provides water service only, then Table #1 is used; if the system operator provides wastewater service only, then Table #2 is used; and if the system operator provides both water and wastewater service, then Table #3 is used.

Table #1 - Systems Providing Water Service Only		
Cost Per 5,000 Gallons	Points	
\$35.00 or Greater	7	
\$30.00 - \$34.99	6	
\$25.00 - \$29.99	5	
\$23.00 - \$24.99	4	
\$21.00 - \$22.99	3	
\$19.00 - \$20.99	2	
\$18.00 - \$18.99	1	
Less than \$18.00	0	

Table #2 - Systems Providing Wastewater Service Only		
Cost Per 5,000 Gallons	Points	
\$28.00 or Greater	7	
\$26.00 - \$27.99	6	
\$24.00 - \$25.99	5	
\$22.00 - \$23.99	4	
\$20.00 - \$21.99	3	
\$18.00 - \$19.99	2	
\$16.00 - \$17.99	1	
Less than \$16.00	0	
•		

Table #3 - Systems Providing Water & Wastewater Service		
Cost Per 5,000 Gallons	Points	
\$45.00 or Greater	7	
\$41.00 - \$44.99	6	
\$37.00 - \$40.99	5	
\$34.00 - \$36.99	4	
\$32.00 - \$33.99	3	
\$31.00 - \$31.99	2	
\$30.00 - \$30.99	1	
Less than \$30.00	0	

### 5. Ability to Finance Project (0 - 10 pts)

Applicants ranked by giving a standardized account of the amount of the existing water/sewer rates would have to be raised in order for the applicant to finance the project through a loan. The formula is as follows:

FP=AR(0.0710) (12) (c) FP = Estimate of amount of rates to be raised to finance project through a loan

AR = Amount Requested

0.0710 = Annual rate factor for a 25-year loan at 5%

12 = Number of months per year

c = Number of Customers

Ability to Finance Project Through Loan	Points	
\$12.00 or Greater	10	
\$10.00 - \$11.99	9	
\$9.00 - \$9.99	8	
\$8.00 - \$8.99	7	
\$7.00 - \$7.99	6	
\$6.00 - \$6.99	5	
\$5.00 - \$5.99	4	
\$4.00 - \$4.99	3	
\$3.00 - \$3.99	2	
\$2.00 - \$2.99	1	
Less than \$2.00	0	

### 6. Grant Request Amount (0 - 3 points)

Grant Request Amount	Points	
\$200,000 or Less	0	
\$200,001 to \$299,999	1	
\$300,000 to \$399,999	2	
\$400,000 to \$600,000	3	

### 7. Corrective Action Point Reduction (As Applicable) (Minus 2 points)

Applications requiring minor corrections will receive a maximum two (2) point scoring reduction. These applications require ODOC/CD to formally initiate the application to a "changes required" status in OKGrants and the applicant is then required to formally "submit" the application once again through the OKGrants system. The point reduction is applicable if the application needs a correction that does NOT immediately warrant a FAILED threshold rating but has an identifiable minor requirement or procedure that was not followed and can be easily corrected. Example: required documentation is submitted unsigned; incorrect budget numbers; incorrect LMI numbers, etc. The corrective action timeframe is four (4) workdays. Corrections that remain incomplete will result in a FAILED threshold rating. NOTE: Applicants will NOT be penalized for ODOC/CD requests for clarifying information or documentation required beyond that specified in the CDBG Application Guidelines or CDBG Application Guidelines errors/omissions which result in needed corrections.

Under extenuating circumstances, ODOC/CD will carefully consider correction related extensions provided legitimate reasons can be given for such time extensions. ODOC/CD will make the final determination if an extension is warranted. Corrective action time extensions will NOT be automatic and requests for time extensions will be carefully considered by

ODOC/CD. It will be the responsibility of the prospective applicant to make ODOC/CD aware of any issues that may affect the ability to meet the four (4) working day corrective action deadline.

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### **WATER & WASTEWATER CONSTRUCTION**

The purpose of this program is to fund projects that are ready to begin construction. Eligible entities that provide documentation of final plans and specifications or a construction permit secured through the ODEQ may apply under this category. This information will be verified with the ODEQ. The documentation must show that the final plans and specifications have been submitted to ODEQ or the construction permit has been issued prior to the CDBG application deadline. Absolutely no engineering costs will be allowed or reimbursed using CDBG funds in this category.

CDBG funds may only be utilized for construction, inspection, and administration. The grant maximum for single applicants is \$600,000. All projects shall be single purpose, either water or wastewater that will focus on some of the most serious problems in the state. The deadline for application submission is May 3, 2024.

Any funds not applied for in the CDBG Water & Wastewater Construction set-aside will be transferred to another set-aside as determined by ODOC/CD.

For a basic water and wastewater project the maximum amount of CDBG funds that may be used for project administration is 8% of the total CDBG Water/Wastewater Construction funds awarded for the total Construction and Professional / Non-Construction funds.

### THRESHOLD REQUIREMENTS FOR WATER & WASTEWATER CONSTRUCTION

- CDBG Water & Wastewater Construction requests for funds must meet the principle CDBG National Objective of providing a direct benefit (fifty-one percent [51%] or more) to persons of low and moderate-income.
- 2. Cities, Towns and Counties with previous CDBG funding <u>must have close-out documents</u> submitted by January 31, 2024.
  - (a) City/Town and County (Direct Jurisdiction) Applicants: City/Towns and Counties receiving a direct jurisdictional benefit may submit only one (1) grant application per CDBG Program Year selecting from CDBG Water/Wastewater Engineering, CDBG Water/Wastewater Construction, CDBG Community Revitalization, or CDBG Rural Economic Action Plan (REAP). A City/Town and County (Direct Jurisdiction) cannot submit a CDBG application if it currently has an open CDBG grant. Exclusions: Economic Development Infrastructure Financing (EDIF), Capital Improvement Planning (CIP). Typical County direct jurisdiction CDBG application projects are roads, bridges, County hospital, etc.
  - (b) County Sponsored Applicants: Counties acting in a "sponsorship" capacity may submit a maximum of one sponsored CDBG grant application per CDBG Program Year selecting from Water/Wastewater Engineering, Water/Wastewater Construction, Community Revitalization, or Rural Economic Action Plan (REAP). Limitation: Counties may ONLY have one (1) open sponsored CDBG grant and still make another sponsored CDBG application. Counties cannot exceed a maximum number of two open sponsored CDBG grants open at any given time. Exclusions: Economic Development Infrastructure Financing (EDIF), Capital Improvement Planning (CIP). Counties may sponsor applications where they do not have

direct jurisdiction over certain public functions. Generally, these are communities with less than \$50,000 in revenue, Rural Water Districts, and Rural Fire Districts.

- 3. Applicants can apply for up to a \$600,000 grant maximum. Applicants may not apply for more than one (1) project activity per application under CDBG Water/Wastewater Construction set-aside.
- 4. A proper sponsor of CDBG water and wastewater projects is defined as a unit of local government with direct jurisdiction over the majority (60%) of the proposed project beneficiaries.
- 5. Proof that citizen participation requirements have been met, as evidenced by an application phase public hearing and written Citizen Participation Plan. Each unit of local government benefiting from a consolidation project must meet Citizen Participation Requirements.
- 6. All cost estimates must be derived from professional sources and submitted with the application. CDBG Water or wastewater projects must have a certified cost estimate from a professional engineer licensed to do business in the State of Oklahoma.
- 7. Grant request cannot exceed \$2,000 per beneficiary for all projects, except in the case of new housing development.
- 8. Applicant must provide a response to all application questions and satisfy all documentation requirements delineated in the CDBG Water and Wastewater Construction Guidelines and application package including but not limited to: Resolution, Income Survey Results, Survey Maps, Certifications, HUD Form 2880 Applicant Recipient Disclosure Update Report, Project Budget, etc.
- 9. TOWNS AND CITIES (COUNTIES ARE EXEMPT) MUST SUBMIT A COPY OF THEIR AUDIT OR THE AGREED UPON PROCEDURES BY THE APPLICATION DEADLINE. ALL TOWNS AND CITIES THAT HAVE A JUNE 30, FISCAL YEAR END DATE ARE REQUIRED TO SUBMIT A COPY OF THEIR FY 2023 AUDIT AND TOWNS AND CITIES THAT HAVE A DECEMBER 31, FISCAL YEAR END DATE ARE REQUIRED, AS A MINIMUM, TO SUBMIT A COPY OF THEIR FY 2022 AUDIT. NO APPLICATION WILL BE CONSIDERED FOR REVIEW OR FUNDING THAT DOES NOT MEET THE REQUIREMENTS STATED ABOVE.

If a city or town receives less than \$50,000 in annual revenues from its normal business and does not have an audit or agreed upon procedures, the city or town cannot apply directly to ODOC/CD. The city or town can apply only by having the local County apply on their behalf, if the County chooses to do so. Nothing contained herein mandates a County to act as an accommodating party.

10. Applicants must provide documentation that Final Plans and Specifications have been provided to Oklahoma Department of Environmental Quality (ODEQ) or a Construction Permit has been issued by ODEQ, prior to the Application deadline. If an ODEQ Permit is not required, Applicants must provide documentation from ODEQ stating an ODEQ Permit is Not Required. If applicant has been issued a Construction Permit and that Construction Permit is greater than one year old, a Construction Permit Extension from ODEQ is required and must be Uploaded to OKGrants with the application submittal before the permit will be accepted.

- 11. Applicants are responsible for accomplishing online application correction/revisions along with any applicable application upload corrections/revisions as directed by ODOC staff within the pre-determined deadline. In fairness to other applicants and in order to maintain HUD required CDBG funding expenditure rates; ODOC can NOT indefinitely hold applications until the respective application corrections/revisions are accomplished. Applications will be considered INCOMPLETE if the prescribed corrections/revisions are not made to the application within the pre-determined deadline established by ODOC. This will result in a FAILED threshold application rating.
- 12. The Application Guidelines associated with the CDBG W-WW Construction set-aside contains an APPLICATION FORMS CHECKLIST outlining all application related documentation required to be uploaded into the online OKGrants application. It is the Applicant's responsibility to follow this checklist and seek additional guidance from ODOC staff as required. Applicants will be responsible for following and providing each item listed on the checklist. Failure to provide any of the required application documentation listed on the checklist will result in a FAILED application rating. Additionally, Applicants must provide a response to all application questions and satisfy all documentation requirements delineated in the Application Guidelines and online OKGrants Application System including, but not limited to: Resolution, Income Survey Results; Survey Maps; Certifications; HUD Form 2880 Applicant Recipient Disclosure Update Report; Project Budget; etc.

### **RATING CRITERIA FOR WATER & WASTEWATER CONSTRUCTION**

Water and Wastewater applications, which meet threshold criteria, will be ranked for funding utilizing the following criteria:

### 1. Project Benefit to Low- and Moderate-Income Persons (2 - 10 points).

Projects awarded under these criteria will be awarded 1-5 points for percentage of LMI, and 1-5 points for total number of LMI.

LMI %	Points
51 - 60	1
61 - 70	2
71 - 80	3
81 - 90	4
91 - 100	5

# LMI Persons	Points
0 - 250	1
251 - 500	2
501 - 750	3
751 - 1,000	4
Over 1,000	5

### 2. Severity of Need Water and Wastewater Projects (0 - 10 points).

Projects will be rated on water and wastewater associated documented health, safety, and welfare hazards. Water and wastewater health, safety, and welfare deficiencies may be documented in one of two ways: (1) through the presence of a legal enforceable order issued by Oklahoma Department of Environmental Quality (ODEQ) or the U.S. Environmental Protection Agency (EPA), or (2) by written confirmation of a "hazard" from ODEQ that specifically states the cause and extent of the water or wastewater, health, safety, and welfare deficiency. ODOC/CD will only accept "documented hazard" Water and Wastewater related health, safety, and welfare hazard documentation from ODEQ and EPA sources. Claims using

"Legal Enforceable Orders" and "Documented Hazards" will be verified by ODOC/CD through the applicant's submitted supporting documentation.

Water and Wastewater projects that document health, safety, and welfare hazards involving legal enforceable orders will be rated on a separate scale of severity than written documentation of hazards. The two-separate severity of need categories are as follows:

Legal Enforceable Orders 10.0 Points

Documented Hazards 5.0 Points

No Documentation 0.0 Points

Severity of Need (0-5 points) Water and Wastewater Projects for New Housing Construction

Projects for Water and Wastewater system expansions serving new housing developments shall be rated on their verification of the extent of the local jurisdictions housing shortage as documented by an official housing market analysis that clearly concludes a projected 3-5 year demand for a specific number of single family ownership units and/or rental units. Points will be determined by the level of impact based on the following criteria:

Vacancy rates
Population growth
Projected job growth
Number of Units + Total units

3. Residential Water and Wastewater Rates and Water Rate Structures (-3 to +3 points)
Water project proposals will earn points based on the first 5,000 gallons of the most current water rate structure and the subsequent revenue generating capacities where wastewater service is provided in conjunction with water service. Water rate structures that favor both strong fiscal management and conservation awareness will be analyzed and awarded points by using portions of the Oklahoma "Water Resources Boards' Emergency Grant Priority Point System." Only proposals for water related system improvements will receive points for the residential water rate structure based on the following table:

<u>Flat Water Rate</u>: Unmetered charges on unmetered systems that charge a fee without regard to the amount of water used, unless the proposed project involves metering of all taps on the system. **-3 points** 

<u>Decreasing Block Water Rates</u>: Price per unit of water becomes lower as the quantity of water use increases. *-3 points* 

<u>Fixed/Uniform Water Rates</u>: Price per unit of water, in excess of any base or minimum charge, remains constant. *0 points* 

<u>Increasing Block Water Rates</u>: Price per unit of water increases as the quantity of water use increases. **+3 points** 

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### 4. Residential Water and Wastewater Rates (0 – 7 points)

All Water and Wastewater category projects will also receive points based on the revenue generating capacity of their rate structures. The appropriate table of points is determined based on the type of services provided by the system operator. If the system operator provides water service only, then Table #1 is used; if the system operator provides water and wastewater service, then Table #2 is used; and if the system operator provides wastewater service only, then Table #3 is used.

Table #1 - Systems Providing Water Service Only		
Cost Per 5,000 Gallons	Points	
\$35.00 or Greater	7	
\$30.00 - \$34.99	6	
\$25.00 - \$29.99	5	
\$23.00 - \$24.99	4	
\$21.00 - \$22.99	3	
\$19.00 - \$20.99	2	
\$18.00 - \$18.99	1	
Less than \$18.00	0	

Table #2 - Systems Providing Wastewater Service Only		
Cost Per 5,000 Gallons Points		
\$28.00 or Greater	7	
\$26.00 - \$27.99	6	
\$24.00 - \$25.99	5	
\$22.00 - \$23.99	4	
\$20.00 - \$21.99	3	
\$18.00 - \$19.99	2	
\$16.00 - \$17.99	1	
Less than \$16.00	0	

Table #3 - Systems Providing Water & Wastewater Service	
Cost Per 5,000 Gallons	Points
\$45.00 or Greater	7
\$41.00 - \$44.99	6
\$37.00 - \$40.99	5
\$34.00 - \$36.99	4
\$32.00 - \$33.99	3
\$31.00 - \$31.99	2
\$30.00 - \$30.99	1
Less than \$30.00	0

### 5. Ability to Finance Project (0 - 10 points)

Applicants ranked by giving a standardized account of the amount of the existing water/sewer rates would have to be raised in order for the applicant to finance the project through a loan. The formula is as follows:

### FP=AR(0.0710)

(12) (c)

FP = Estimate of amount of rates to be raised to finance project through a loan

AR = Amount Requested

0.0710 = Annual rate factor for a 25-year loan at 5%

12 = Number of months per year

c = Number of Customers

Ability to Finance Project Through Loan	Points	
\$12.00 or Greater	10	
\$10.00 - \$11.99	9	
\$9.00 - \$9.99	8	
\$8.00 - \$8.99	7	
\$7.00 - \$7.99	6	
\$6.00 - \$6.99	5	
\$5.00 - \$5.99	4	
\$4.00 - \$4.99	3	
\$3.00 - \$3.99	2	
\$2.00 - \$2.99	1	
Less than \$2.00	0	

### 6. Grant Request Amount (0 - 3 points)

<b>Grant Request Amount</b>	Points	
\$200,000 or Less	0	
\$200,001 to \$299,999	1	
\$300,000 to \$399,999	2	
\$400,000 to \$600,000	3	

### 7. Leverage (0 - 10 points)

Projects will be rated on their ability to integrate the use of funds other than CDBG to carry out the proposed CDBG project. Leverage will be valued using full value for cash leverage and no point value will be given for in-kind leverage. The leverage score will be calculated as follows:

Formula:						
Cash Lever	age:	\$				
	Cash Le			ount	X	10 = Leverage Points
EXAMPLE:						
Cash Lever	age:			\$50	,000	
CDBG Req	uest Amo	ount:		\$10	0,000	
<u>\$50,000</u> \$100,000	X	10	=	5	Levera	ge Points

# 8. Oklahoma Department of Environmental Quality (ODEQ) Permitting (0 - 10 Points)

### Permitting Status

**Points** 

•	ODEQ Permit <u>not</u> required	0
•	Final Plans and Specifications submitted to ODEQ for approval	5
•	Permit to Construct Issued by ODEQ	10

### 9. Corrective Action Point Reduction (As Applicable) (Minus 2 points)

Applications requiring minor corrections will receive a maximum two (2) point scoring reduction. These applications require ODOC/CD to formally initiate the application to a "changes required" status in OKGrants and the applicant is then required to formally "submit" the application once again through the OKGrants system. The point reduction is applicable if the application needs a correction that does NOT immediately warrant a FAILED threshold rating but has an identifiable minor requirement or procedure that was not followed and can be easily corrected. Example: required documentation is submitted unsigned; incorrect budget numbers; incorrect LMI numbers, etc. The corrective action timeframe is four (4) work days. Corrections that remain incomplete will result in a FAILED threshold rating. NOTE: Applicants will NOT be penalized for ODOC/CD requests for clarifying information or documentation required beyond that specified in the CDBG Application Guidelines or CDBG Application Guidelines errors/omissions which result in needed corrections.

Under extenuating circumstances, ODOC/CD will carefully consider correction related extensions provided legitimate reasons can be given for such time extensions. ODOC/CD will make the final determination if an extension is warranted. Corrective action time extensions will NOT be automatic and requests for time extensions will be carefully considered by ODOC/CD. It will be the responsibility of the prospective applicant to make ODOC/CD aware of any issues that may affect the ability to meet the four (4) working day corrective action deadline.

### **COMMUNITY REVITALIZATION**

Under this broad category, an Applicant may submit a project proposal for any eligible activity listed under Section 105(a) of the Federal Housing and Community Development Act of 1974, as amended, other than water or wastewater projects. Such projects could include fire protection, storm water drainage, street improvements, community centers, and property acquisition. Additional information on property acquisition is found on page 47.

Applications received under this set-aside will be scored competitively against one another regardless of project type.

The grant maximum for the CDBG Community Revitalization application is \$300,000. The deadline for application submission is March 29, 2024. The maximum amount of CDBG Community Revitalization funds that may be used for project administration is eight percent (8%) of the total CDBG Revitalization funds awarded. Applications received after this date will NOT be considered for funding. Additionally, CDBG Community Revitalization projects not meeting all the threshold requirements will NOT be considered for funding.

Any funds not applied for in the CDBG Community Revitalization set-aside will be transferred to another set-aside as determined by ODOC/CD.

### THRESHOLD REQUIREMENTS FOR COMMUNITY REVITALIZATION

- 1. CDBG Community Revitalization requests for funds must meet the principle CDBG National Objective of providing a direct benefit (fifty-one percent [51%] or more) to persons of low and moderate-income.
- 2. A proper sponsor for CDBG Community Revitalization projects is defined as a Unit of Local government with direct jurisdiction over the majority (60%) of the proposed project beneficiaries.
- 3. Applicants can apply for up to \$300,000 grant maximum. Applicants may not apply for more than one (1) project activity per application under this CDBG Community Revitalization set-aside.
- 4. Proof that citizen participation requirements have been met, as evidenced by an application phase public hearing and written Citizen Participation Plan.
- 5. All cost estimates shall be obtained from professional sources, as applicable, and submitted with the application. These estimates must be certified from professional engineers, architects, construction companies, vendors or appropriate personnel with experience to make such estimates.
- 6. Cities, Towns and Counties with previous CDBG funding <u>must have close-out documents</u> submitted by January 31, 2024.
  - (a) City/Town and County (Direct Jurisdiction) Applicants: City/Towns and Counties receiving a direct jurisdictional benefit may submit only one (1) grant application per CDBG Program Year selecting from CDBG Water/Wastewater Engineering, CDBG Water/Wastewater

Construction, CDBG Community Revitalization, or CDBG Rural Economic Action Plan (REAP). A City/Town and County (Direct Jurisdiction) cannot submit a CDBG application if it currently has an open CDBG grant. Exclusions: Economic Development Infrastructure Financing (EDIF), Capital Improvement Planning (CIP). Typical County direct jurisdiction CDBG application projects are roads, bridges, County hospital, etc.

- (b) County Sponsored Applicants: Counties acting in a "sponsorship" capacity may submit a maximum of one sponsored CDBG grant application per CDBG Program Year selecting from Water/Wastewater Engineering, Water/Wastewater Construction, Community Revitalization, or Rural Economic Action Plan (REAP). Limitation: Counties may ONLY have one (1) open sponsored CDBG grant and still make another sponsored CDBG application. Counties cannot exceed a maximum number of two open sponsored CDBG grants open at any given time. Exclusions: Economic Development Infrastructure Financing (EDIF), Capital Improvement Planning (CIP). Counties may sponsor applications where they do not have direct jurisdiction over certain public functions. Generally, these are communities with less than \$50,000 in revenue, Rural Water Districts, and Rural Fire Districts. Counties CANNOT submit a single application containing multiple Units of General Local Governments or jurisdictions such as Rural Fire Districts under a single county sponsored application.
- 7. The CDBG Community Revitalization grant request cannot exceed \$2,000 per beneficiary.
- 8. TOWNS AND CITIES (COUNTIES ARE EXEMPT) MUST SUBMIT A COPY OF THEIR AUDIT OR THE AGREED UPON PROCEDURES BY THE APPLICATION DEADLINE. ALL TOWNS AND CITIES THAT HAVE A JUNE 30, FISCAL YEAR END DATE ARE REQUIRED TO SUBMIT A COPY OF THEIR FY 2023 AUDIT AND TOWNS AND CITIES THAT HAVE A DECEMBER 31, FISCAL YEAR END DATE ARE REQUIRED, AS A MINIMUM, TO SUBMIT A COPY OF THEIR FY 2022 AUDIT. NO APPLICATION WILL BE CONSIDERED FOR REVIEW OR FUNDING THAT DOES NOT MEET THE REQUIREMENTS STATED ABOVE.

If the city or town receives less than \$50,000 in annual revenues from its normal business and does not have an audit or agreed upon procedure, the city or town cannot apply directly to ODOC. The city or town can apply only by having the local County apply on their behalf if the County chooses to do so. Nothing contained herein mandates a County to act as an accommodating party.

- 9. Applicants must certify that if the proposed project is funded by CDBG Community Revitalization dollars it will be properly insured for the life of the asset (as applicable). Proper insurance for buildings includes property and liability insurance coverage. When the project includes vehicles, proper insurance will include liability, comprehensive and collision coverage.
- 10. Applicants are responsible for accomplishing online application corrections/revisions along with any applicable application upload corrections/revisions as directed by ODOC/CD staff within the pre-determined deadline. In fairness to other applicants and to maintain HUD required CDBG funding expenditure rates; ODOC/CD can NOT indefinitely hold applications until the respective application corrections/revisions are accomplished. Applications will be considered INCOMPLETE if the prescribed corrections/revisions are not made to the application within the pre-determined deadline established by ODOC/CD. This will result in a FAILED threshold application rating.

- 11. The Application Guidelines associated with the CDBG Community Revitalization set-aside contains an APPLICATION FORMS CHECKLIST outlining all application related documentation required to be uploaded into the online OKGrants application. It is the Applicant's responsibility to follow this checklist and seek additional guidance from ODOC/CD staff as required. Applicants will be responsible for following and providing each item listed on the checklist. Failure to provide any of the required application documentation listed on the checklist will result in a FAILED application rating. Additionally, Applicants must provide a response to all application questions and satisfy all documentation requirements delineated in the CDBG Community Revitalization Application Guidelines and online OKGrants Application System including, but not limited to: Resolution, income survey results, resolution requesting assistance, survey maps, certifications, HUD Form 2880 Applicant Recipient Disclosure Update Report, project budget, etc.
- 12. The application must sufficiently demonstrate an applicant's need for the requested CDBG activity. For any requested CDBG project, there is an underlying "need" for such a project. It is the responsibility of the applicant to communicate to ODOC/CD why the particular CDBG activity is being requested in the application. Failure to adequately demonstrate a project need will result in a FAILED threshold application rating. The project need is communicated in the "Project Description" section of the "CDBG Application Summary" page of the online OKGrants application. Additional narratives and supporting documentation can be uploaded in the "Uploads" page of the OKGrants application if required.

### RATING CRITERIA FOR COMMUNITY REVITALIZATION

Applications which meet threshold requirements will be ranked for funding utilizing the following criterion:

### 1. Project Benefit to Low- and Moderate-Income Percentage (2 - 15 points)

LMI %	Points
51 - 55	1
56 - 60	2
61 - 65	3
66 - 70	4
71 - 75	5
76 - 80	6
81 - 85	7
86 - 90	8
91 - 95	9
96 - 100	10

# LMI Persons	Points
0 - 250	1
251 - 500	2
501 - 750	3
751 - 1,000	4
Over 1,000	5

### 2. Grant Request Amount (0 – 10 points)

<b>Grant Request Amount</b>	Points	
\$50,000 or Less	0	
\$50,001 - \$74,999	1	
\$75,000 - \$99,999	2	

\$100,000 - \$124,999	3	
\$125,000 - \$149,999	4	
\$150,000 - \$174,999	5	
\$175,000 - \$199,999	6	
\$200,000 - \$224,999	7	
\$225,000 - \$249,999	8	
\$250,000 - \$274,999	9	
\$275,000 - \$300,000	10	

### 3. **Leverage (0 – 15 points)**

Projects will be rated on their ability to integrate the use of funds other than CDBG Community Revitalization to carry out the proposed CDBG Community Revitalization project. Leverage will be valued using full value for cash leverage and **no point value will be given for in-kind leverage**. A maximum of 15 points is available for leverage.

In an attempt to level the playing field faced by smaller communities, a variable will be applied to the previously used ratio (total leverage to grant request amount ratio); based on the population figures found in the Appendix 'D' of this guide. These figures are compiled by the U.S Census Bureau and provided by the U.S. Department of Housing and Urban Development (HUD) and are reported in conjunction with HUD's LMI qualification related documentation. Moreover, if the applicant is a county submitting on behalf of an unincorporated area, the maximum variable allowed (1.5) will automatically be applied.

Applicants with a population of 1,500 or less will receive a variable of one and a half (1.5). Those with a population of 1,501 to 3,500 will receive a variable of one and a quarter (1.25). Finally, applicants with a population of 3,501 and greater will receive a variable of one (1).

The leverage score will be calculated as follows:

# Formula: Cash Leverage: Cash Leverage CDBG Request Amount X 15 = Leverage Points EXAMPLE A: Cash Leverage: \$50,000 \$150,000 X 15 = 5 Leverage Points

Example B: Based on the point award in Example 'A' above, The applicant has a population of 2,750 people. 5 x 1.25 = 6.25 points awarded.

Example C: Based on the point award in Example 'A' above, the applicant has a population of 1,200 people.  $5 \times 1.5 = 7.5$  points awarded.

### 4. Previous Grant (0 - 10 points)

An applicant will be awarded points based on the CALENDAR YEAR & MONTH of closeout of the last (CDBG REAP, CDBG Community Revitalization, CDBG Water/Wastewater Engineering, CDBG Water/Wastewater Construction) award and the current CDBG Community Revitalization application submission deadline. **Exclusions:** Economic Development Infrastructure Financing (EDIF) and Capital Improvement Planning (CIP). The applicant will receive points based on the following scale:

A. Less than one year after grant closeout –	0 Points
B. Greater than one year less than two years after grant closeout –	1 Point
C. Greater than two years less than three years after grant closeout –	2 Points
D. Greater than three years less than four years after grant closeout –	4 Points
E. Greater than four years less than five years after grant closeout –	6 Points
F. Greater than five years less than six years after grant closeout –	8 Points
G. More than six years after grant closeout –	10 Points

EXAMPLE A: If an applicant successfully closed out a CDBG application in January of 2021. If the applicant applies for a CDBG Community Revitalization application in March of 2024, the applicant would receive four points on a 2024 CDBG Community Revitalization application.

EXAMPLE B: If an applicant successfully closed out a CDBG application in April of 2021. If the applicant applies for a CDBG Community Revitalization application in March of 2024, the applicant would receive two points on a 2024 CDBG Community Revitalization application.

### 5. Corrective Action Point Reduction (As Applicable) (Minus 2 points)

Applications requiring minor corrections will receive a maximum two (2) point scoring reduction. These applications require ODOC/CD to formally initiate the application to a "changes required" status in OKGrants and the applicant is then required to formally "submit" the application once again through the OKGrants system. The point reduction is applicable if the application needs a correction that does NOT immediately warrant a FAILED threshold rating but has an identifiable minor requirement or procedure that was not followed and can be easily corrected. Example: required documentation is submitted unsigned; incorrect budget numbers; incorrect LMI numbers, etc. The corrective action timeframe is four (4) workdays. Corrections that remain incomplete will result in a FAILED threshold rating. NOTE: Applicants will NOT be penalized for ODOC/CD requests for clarifying information or documentation required beyond that specified in the CDBG Application Guidelines or CDBG Application Guidelines errors/omissions which result in needed corrections.

Under extenuating circumstances, ODOC/CD will carefully consider correction related extensions provided legitimate reasons can be given for such time extensions. ODOC/CD will make the final determination if an extension is warranted. Corrective action time extensions will NOT be automatic and request for time extensions will be carefully considered by ODOC/CD. It will be the responsibility of the prospective applicant to make ODOC/CD aware of any issues that may affect the ability to meet the four (4) working day corrective action deadline.

### CDBG/RURAL ECONOMIC ACTION PLAN (REAP)

The total funding amount for the CDBG REAP set-aside is **\$1,500,000**. The allocation formula for each Substate Planning District Area (SSPD) is based on low to moderate-income population. ODOC/CD reserves the right to adjust set-aside and category allocations to ensure maximum utilization of funds. Such adjustments shall be the minimum amount necessary to fund projects efficiently. An applicant may submit a project proposal for any eligible activity listed under Section 105 (a) of the Federal Housing and Community Development Act of 1974, as amended. Any funds not applied for in the Substate Planning District Area will be transferred to another set-aside as determined by ODOC/CD. ODOC/CD allows applicants to compete in the CDBG REAP and any other CDBG program in accordance with each set-aside restrictions.

The maximum amount of funds that may be used for CDBG REAP project administration is eight percent (8%) of the total award. **The deadline for application submission is February 29, 2024.** 

The SSPD Allocations are listed below:

1.	ACOG	\$136,363.63
2.	ASCOG	\$136,363.63
3.	COEDD	\$136,363.63
4.	EODD	\$136,363.63
5.	GGEDA	\$136,363.63
6.	INCOG	\$136,363.63
7.	KEDDO	\$136,363.63
8.	NODA	\$136,363.63
9.	OEDA	\$136,363.63
10.	SODA	\$136,363.63
11.	SWODA	\$136,363.63

### THRESHOLD CRITERIA FOR CDBG REAP

- 1. Eligible applicants for the CDBG REAP Program are units of general local governments (counties and incorporated towns and cities) that are State appropriated REAP funding eligible as identified by the Sub-state Planning District and in accordance with 62 O.S. § 2001 et al as amended.
- CDBG REAP funds must be matched dollar for dollar by State appropriated REAP funds. For example, if a project is \$80,000 it must be \$40,000 CDBG REAP and \$40,000 State appropriated REAP funds. Applicants may not apply for more than one (1) project activity per application under this set-aside.
- 3. CDBG REAP requests for funds must meet the principle CDBG National Objective of providing a direct benefit (fifty-one percent [51%] or more) to persons of low and moderate-income.
- 4. Cities, Towns, and Counties with previous CDBG funding <u>must have close-out documents</u> submitted by January 31, 2024.

- (a) City/Town and County (Direct Jurisdiction) Applicants: City/Towns and Counties receiving a direct jurisdictional benefit may submit only one (1) grant application per CDBG Program Year selecting from CDBG Water/Wastewater Engineering, CDBG Water/Wastewater Construction, CDBG Community Revitalization, or CDBG Rural Economic Action Plan (REAP). A City/Town and County (Direct Jurisdiction) cannot submit a CDBG application if it currently has an open CDBG grant. Exclusions: Economic Development Infrastructure Financing (EDIF), Capital Improvement Planning (CIP). Typical County direct jurisdiction CDBG application projects are roads, bridges, County hospital, etc.
- (b) County Sponsored Applicants: Counties acting in a "sponsorship" capacity may submit a maximum of one sponsored CDBG grant application per CDBG Program Year selecting from Water/Wastewater Engineering, Water/Wastewater Construction, Community Revitalization, or Rural Economic Action Plan (REAP). Limitation: Counties may ONLY have one (1) open sponsored CDBG grant and still make another sponsored CDBG application. Counties cannot exceed a maximum number of two open sponsored CDBG grants open at any given time. Exclusions: Economic Development Infrastructure Financing (EDIF), Capital Improvement Planning (CIP). Counties may sponsor applications where they do not have direct jurisdiction over certain public functions. Generally, these are communities with less than \$50,000 in revenue, Rural Water Districts, and Rural Fire Districts. Counties CANNOT submit a single application containing multiple Units of General Local Governments or jurisdictions such as Rural Fire Districts under a single county sponsored application.
- 5. A proper sponsor for CDBG REAP projects is defined as a Unit of Local government with direct jurisdiction over the majority (60%) of the proposed project beneficiaries.
- 6. Proof that citizen participation requirements have been met, as evidenced by an application phase public hearing and written Citizen Participation Plan.
- 7. All cost estimates shall be obtained from professional sources, as applicable, and submitted with the application. These estimates must be certified and from professional engineers, architects, construction companies, vendors, or appropriate personnel with experience to make such estimates.
- 8. The CDBG REAP grant request cannot exceed \$2,000 per beneficiary.
- 9. TOWNS AND CITIES (COUNTIES ARE EXEMPT) MUST SUBMIT A COPY OF THEIR AUDIT OR THE AGREED UPON PROCEDURES BY THE APPLICATION DEADLINE. ALL TOWNS AND CITIES THAT HAVE A JUNE 30, FISCAL YEAR END DATE ARE REQUIRED TO SUBMIT A COPY OF THEIR FY 2023 AUDIT AND TOWNS AND CITIES THAT HAVE A DECEMBER 31, FISCAL YEAR END DATE ARE REQUIRED, AS A MINIMUM, TO SUBMIT A COPY OF THEIR FY 2022 AUDIT. NO APPLICATION WILL BE CONSIDERED FOR REVIEW OR FUNDING THAT DOES NOT MEET THE REQUIREMENTS STATED ABOVE.

If the city or town receives less than \$50,000 in annual revenues from its normal business and does not have an audit or agreed upon procedure, the city or town cannot apply directly to ODOC. The city or town can apply only by having the local County apply on their behalf if the County chooses to do so. Nothing contained herein mandates a County to act as an accommodating party.

10. Applicants must certify that if the proposed project is funded by CDBG REAP dollars it will be properly insured for the life of the asset. Proper insurance for buildings includes property and

liability insurance coverage. When the project includes vehicles, proper insurance will include liability, comprehensive and collision coverage.

- 11. Applicants are responsible for accomplishing online application corrections/revisions along with any applicable application upload corrections/revisions as directed by ODOC/CD staff within the pre-determined deadline. In fairness to other applicants and in order to maintain HUD required ODOC/CD's CDBG funding expenditure rates; ODOC/CD can NOT indefinitely hold applications until the respective application corrections/revisions are accomplished. Applications will be considered INCOMPLETE if the prescribed corrections/revisions are not made to the application within the pre-determined deadline established by ODOC/CD. This will result in a FAILED threshold application rating.
- 12. The Application Guidelines associated with this CDBG REAP set-aside contain an APPLICATION FORMS CHECKLIST outlining all application related documentation required to be uploaded into the online OKGrants application. It is the Applicant's responsibility to follow this checklist and seek additional guidance from ODOC/CD staff as required. Applicants will be responsible for following and providing each item listed on the checklist. Failure to provide any of the required application documentation listed on the checklist will result in a FAILED application rating. Additionally, Applicants must provide a response to all application questions and satisfy all documentation requirements delineated in the CDBG REAP Application Guidelines and online OKGrants Application System including, but not limited to: Resolution, income survey results, resolution requesting assistance, survey maps, certifications, HUD Form 2880 Applicant Recipient Disclosure Update Report, project budget, etc.
- 13. The application must sufficiently demonstrate an applicant's need for the requested CDBG activity. For any requested CDBG project, there is an underlying "need" for such a project. It is the responsibility of the applicant to communicate to ODOC/CD why the particular CDBG activity is being requested in the application. Failure to adequately demonstrate a project need will result in a FAILED threshold application rating. The project need is communicated in the "Project Description" section of the "CDBG Application Summary" page of the online OKGrants application. Additional narratives and supporting documentation can be uploaded in the "Uploads" page of the OKGrants application if required.

### **SMALL CITIES**

Communities with a 2010 U.S. Census Bureau population estimate of 15,000 to 50,000 that are currently **not** HUD designated entitlement communities are eligible to participate in the Small Cities category. Oklahoma's entitlement cities are Edmond, Enid, Lawton, Midwest City, Moore, Norman, Oklahoma City, Shawnee, and Tulsa as well as the units of local government participating in the CDBG Urban County Designation for Tulsa County which consists of the following:

City of Bixby	City of Jenks	City of Skiatook
City of Broken Arrow	City of Owasso	Town of Sperry
City of Collinsville	City of Sand Springs	Unincorporated Tulsa County

City of Glenpool City of Sapulpa

### **Application Submission Requirements**

Based on population criteria previously stated, there are currently eighteen (18) units of local governments eligible for the CDBG Small Cities program.

**CDBG-Small Cities Communities** 

Ada	Altus	Ardmore	Bartlesville	Bethany	Chickasha
Claremore	Del City	Duncan	Durant	El Reno	McAlester
Muskogee	Mustang	Ponca City	Stillwater	Tahlequah	Yukon

The eighteen (18) eligible units of local governments continue to be divided into two groups of nine (9) for purposes of funding. Those communities that elected to participate in the 2023 Small Cities program through a Letter of Interest and their application status from the 2023 Small Cities Program Review is as follows:

2023	Small Cities	Awards
1.	Bartlesville	Declined Participation
2.	Claremore	Funded
3.	Del City	Declined Participation
4.	Duncan	Funded
5.	El Reno	Funded
6.	McAlester	Funded
7.	Muskogee	Declined Participation
8.	Stillwater	Funded
9.	Yukon	Declined Participation

The total amount of funding available for the 2024 Small Cities program is \$1,370,000. The funds will be allocated evenly between the proposed nine (9) eligible communities listed in the table below.

### 2024 Eligible Small Cities

- 1. Ada
- 2. Altus
- 3. Ardmore
- 4. Bethany
- 5. Chickasha
- 6. Durant
- 7. Mustana
- 8. Ponca City
- 9. Tahlequah

Participation in the 2024 Small Cities Program is determined by submission of a Letter of Intent due by 5:00 p.m. on or before December 8, 2023. Additionally, the 2023 CDBG Small Cities Application Submission Due Date is June 14, 2024.

**Note:** For those communities that choose not to participate in the Small Cities Program, Oklahoma Department of Commerce/Community Development (ODOC/CD) will recalculate and distribute the allocation based on **participants only**.

Additionally, each eligible CDBG Small Cities unit of local governments has the option to not participate in the 2024 CDBG Small Cities Program and choose to compete in the appropriate CDBG set asides.

### THRESHOLD REQUIREMENTS FOR SMALL CITIES

Due to the U.S. Department of Housing and Urban Development (HUD) desire for all states to dramatically increase their expenditure rates, the following new expenditure criteria has been established.

- The CDBG Small Cities project must include leverage at least 1:1. Proposed leverage must be directly related to the proposed CDBG Small Cities project. For example, local funds being utilized in one section of town would not be considered as leveraging the CDBG Small Cities funds if the CDBG Small Cities funds were being utilized in a different section of town. In-kind is not an eligible source of leverage.
- As referenced in 24 CFR 570.201-204) and 24 CFR 570.206, costs incurred as a direct result
  of implementing and executing eligible CDBG activities are known as "Activity Delivery Costs".
  These costs are directly attributable to an eligible CDBG project activity. Project activity
  delivery costs are not eligible from CDBG Small Cities funds; however, leverage can include
  reasonable project activity delivery costs.
- 3. If an eligible community is applying in the CDBG Small Cities set-aside that community cannot apply for any other CDBG set-aside during the FY 2024 program year.

- 4. The project must achieve a National Objective. CDBG Small Cities applicants must qualify their project activities under the low and moderate-income National Objective. This is accomplished by conducting a random sample income survey in the project target area. However, the use of any Census Data to document the percentage of low and moderateincome beneficiaries for any CDBG funded activity should receive prior ODOC review and approval.
- 5. Each community must have an updated Citizen Participation Plan and conduct one public hearing before the application is submitted. Acceptable documentation of the public hearing consists of the Affidavit of Publication.
- 6. Communities participating in the CDBG Small Cities set-aside must have a Letter of Intent submitted to the Oklahoma Department of Commerce/Community Development (ODOC/CD) by 5:00 p.m., December 9, 2023.
- 7. Specific projects identified in the application must have cost estimates derived from professional sources. Water and wastewater projects must have certified cost estimates from a professional engineer licensed to work in Oklahoma. For other types of projects professional cost estimates may be derived from architects, engineers, vendors, construction companies, or appropriate personnel to make such estimates.
- 8. Applications must include a Resolution passed by the current governing body requesting the particular assistance.
- 9. Grant request cannot exceed \$2,000 per beneficiary for all projects.
- 10. Cities must submit a copy of their Audit by the application deadline. All Cities that have a June 30, Fiscal Year End date are required to submit a copy of their FY 2023 Audit. Cities that have a December 31, Fiscal Year End date are required, as a minimum, to submit a copy of their FY 2022 Audit. NO APPLICATION WILL BE CONSIDERED FOR REVIEW OR FUNDING THAT DOES NOT MEET THE REQUIREMENTS STATED ABOVE.
- 11. The application must sufficiently demonstrate an applicant's need for the requested CDBG activity. For any requested CDBG project, there is an underlying "need" for such a project. It is the responsibility of the applicant to communicate to ODOC/CD why the particular CDBG activity is being requested in the application. Failure to adequately demonstrate a project need will result in a FAILED application. The project need is communicated in the "Project Description" section of the "CDBG Application Summary" page of the online OKGrants application. Additional narratives and supporting documentation can be uploaded in the "Uploads" page of the OKGrants application if required.
- 12. The Application Guidelines associated with this CDBG Small Cities set-aside contain an APPLICATION FORMS CHECKLIST outlining all application related documentation required to be uploaded into the online OKGrants application. It is the Applicant's responsibility to follow this checklist and seek additional guidance from ODOC/CD staff as required. Applicants will be responsible for following and providing each item listed on the checklist. Failure to provide any of the required application documentation listed on the checklist will result in a FAILED application rating. Additionally, Applicants must provide a response to all application questions and satisfy all documentation requirements delineated in the CDBG Small Cities Application Guidelines and online OKGrants Application System including, but not limited to: Resolution,

income survey results, resolution requesting assistance, survey maps, certifications, HUD Form 2880 Applicant Recipient Disclosure Update Report, project budget, etc.

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### **ECONOMIC DEVELOPMENT**

The objective of the Economic Development (ED) set-aside is the development of communities and counties by expanding economic opportunities, primarily for low and moderate-income persons. The State's activities shall achieve the national objective by funding projects that stimulate the creation of jobs primarily for low and moderate-income persons.

### **ELIGIBLE APPLICANT**

Eligible applicants are units of local government (incorporated towns, cities, and counties) that are **not** participants in the CDBG Entitlement Program. Oklahoma's entitlement cities are Edmond, Enid, Lawton, Midwest City, Moore, Norman, Oklahoma City, Shawnee, and Tulsa as well as the units of local government participating in the CDBG Urban County Designation for Tulsa County which consists of the following:

City of Bixby	City of Jenks	City of Skiatook
City of Broken Arrow	City of Owasso	Town of Sperry

City of Collinsville City of Sand Springs Unincorporated Tulsa County

City of Glenpool City of Sapulpa

Applicants seeking funding under other FY 2024 CDBG set asides may concurrently apply for funding under the Economic Development set-aside.

### **Economic Development Infrastructure Financing (EDIF) Program**

The EDIF program shall be utilized for public infrastructure and other improvements necessary for a business to create new jobs primarily for low and moderate-income persons in Oklahoma. Public improvements eligible to be financed by this program are publicly owned or public easement improvements that will provide basic infrastructure services to a new or expanding business. Such improvements may include, but are not limited to, water, wastewater, transportation improvements, and rehabilitation and new construction of publicly owned industrial buildings.

The State shall review for funding purposes only, individual economic development projects between an eligible applicant and a specific employment generating business.

In order to provide prospective applicants with clear objectives of the Oklahoma Department of Commerce/Community Development (ODOC/CD) EDIF program the following general guidance is provided.

- 1. New Jobs for low- and moderate-income persons are the primary purpose of this program;
- 2. Funding is for publicly owned infrastructure;
- 3. The infrastructure improvement activity must be directly related to the industry being assisted and have a clear link to the creation of jobs;
- 4. Funding is not for the benefit of retail, private prisons, educational institutions or the retention of jobs.
- 5. ODOC/CD will examine the business(es) involved and its reasonable potential to create the projected jobs;

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- 6. Start-up businesses will not be considered unless the company has cash capitalization of at least 25% of the company's project costs;
- 7. EDIF funds may not be used for speculation; a specific business creating new jobs is required;
- 8. Reasonable cost of administration up to a maximum of \$15,000;
- 9. The charge for professional engineering services will be based upon the USDA-Rural Development fee guidelines.
- 10. The application packet shall contain all information necessary to apply for funding, and it must be complete to be considered for funding;
- 11. A company can be the beneficiary of only one CDBG-EDIF project at a time. All projected jobs must be created, and the project must be closed out before a company can benefit from another CDBG-EDIF project.

### **FINANCING OPTION:**

### **Business Expansions or Targeted Industries**

- Targeted towards assisting Oklahoma existing companies' expansion efforts and new companies or industries to the state.
- Targeted industry group (i.e. alternative energy, agribusiness, aerospace, defense or other advanced manufacturing), with the new jobs being Quality Job eligible in terms of health insurance (as long as the company has a plan to meet the National Objective of benefit to low and moderate income persons).
- Maximum grant amount is \$1,000,000 based upon jobs and leverage.

### PROJECT SELECTION PROCEDURES - EDIF PROJECTS

### CDBG-EDIF PROGRAM - THRESHOLD REQUIREMENTS

- 1. At least 51% of the projected jobs to be created shall be held by, or made available to, persons who qualified as low to moderate-income persons.
- 2. At least one permanent job shall be created for every \$35,000 of CDBG-EDIF funds.
- 3. All projects shall require one new dollar committed as financial leverage to the project for each CDBG-EDIF dollar requested.
- 4. Proof that citizen participation requirements have been met, as evidenced by an application phase public hearing and written Citizen Participation Plan.
- 5. If the city or town receives less than \$50,000 in annual revenues from its normal business the city or town cannot apply directly to ODOC. The city or town can apply only by having the local County apply on their behalf if the County chooses to do so. Nothing contained herein mandates a County to act as an accommodating party. Any applications by a County to act as an accommodation for a city or town that does not have \$50,000 in annual revenues from its normal business, will not count against the County's open contract maximum.

- 6. 100% of the average county wage for all new jobs. If the project does not meet the 100% ACW, the following two criteria may be considered:
  - Established Company in business for at least 10 years.
  - County unemployment is higher than the state average.
- 7. The proposed use of the CDBG-EDIF funds is "allowable, reasonable, and appropriate."

#### **EVALUATION CRITERION FOR EDIF PROGRAM**

General: There are no specific application deadlines. ODOC/CD reserves the right to suspend the taking of applications based upon availability of funding. Projects will be evaluated, and a funding decision reached as expeditiously as possible. However, project evaluation will depend on the applicant satisfactorily completing the application and all information requested by ODOC/CD. Applications from one program year will not be kept for Review past three (3) months into another program year. If the application has not been completed three (3) months into the next program year, the application will need to be resubmitted using the current year application guidelines.

Economic development projects may be approved where a community development project is in existence. Funds cannot be used to relocate economic activity from one Oklahoma community to another when CDBG funds are the primary motivation factor. Applicant will be asked to justify request when relocation is an issue. Eligible entities are strongly encouraged to apply only for the minimum financing necessary to make the project a reality. Projects must have other new leverage dollars in place or currently applied for.

Applications meeting the requirements shall be evaluated based upon the following criterion. The state will review and underwrite applications to determine if, and to what extent, the criterion is met. Each application will stand on its own, and the strengths or weaknesses of the applicant's claim will be evaluated. A determination will be made by ODOC/CD as to the likelihood or reasonableness of the claims made by the applicant becoming reality. The criteria are prioritized according to relative importance to the State.

If funding levels reach 75 percent (75%) of all CDBG-EDIF funds awarded, the Evaluation Criteria point system will be utilized to determine the CDBG-EDIF request. All projects (currently under review and any new applications received) at this point which meet Eligibility, Threshold, and Completeness review will be funded based on the highest points achieved on the Evaluation Criteria point system until the CDBG-EDIF funds are exhausted. Once funds are exhausted, all applications not funded will be returned to the applicant.

#### **EVALUATION CRITERIA FOR CDBG-ED – BUSINESS EXPANSION**

## **Business Expansions (60 Points Maximum)** *Leverage*

1:1 0 points 2:1 1 points 3:1 2 points

Each whole number increase is worth one point to a maximum of 10 points. Leverage does not include in-kind contributions, and ratios are rounded down.

#### New job benefits: Does the company provide Quality Job minimum level of health insurance for all full time positions? Yes 5 points No 0 points Average wages of the new jobs compared to average county wage (ACW): County name: Average County Wage Average wages 100% of ACW 0 points Average wages \_\_\_\_\_ of ACW Average wages \_\_\_\_ of ACW 5 points 10 points Each 5% increase is worth one point to a maximum of 10 points. Percentages are rounded down. Job threshold: Small community population <5,000 people; greater than 5 jobs 5 points Community of 5,000 – 10,000 people; greater than 10 jobs 5 points Medium community population 10,000 – 40,000 people: greater than 25 jobs 5 points Large community >40,000 people: greater than 50 jobs 5 points Company information: Is the company a manufacturing company? Yes 5 points 0 points No How long has the company been in existence in Oklahoma? 2 - 0 years 0 points 5 - 3 years 1 points 8 - 6 years 2 points 12 – 9 years 3 points 15 – 13 years 4 points 18 – 16 years 5 points Greater than 18 years 10 points Project location: Is the project located in an enterprise zone? Yes 5 points No 0 points Regional project: How many units of local government involvement does the project include? One unit 0 points Two units 5 points

#### **EVALUATION CRITERIA FOR CDBG-ED - TARGETED INDUSTRIES**

10 points

Three units

Targeted Industries (55) Points <i>Leverage</i>	s Maximum)	
1:1	0 points	
2:1	1 points	
3:1	2 points	
	ease is worth one point to a maximum le in-kind contributions, and ratios are	
New job benefits:		
positions?	de Quality Job minimum level of healt	th insurance for all full time
Yes	5 points	
No	0 points	
Average wages of the new job County name:	s compared to average county wag	ge (ACW):
Average County Wage _		
Average wages 100% of	ACW 0 points	
Average wages	of ACW 5 points	
Average wages	of ACW 10 points	
Each 5% increase is wort rounded down.	th one point to a maximum of 10 poin	nts. Percentages are
Job threshold:		
<ul> <li>Small community population</li> </ul>	<5,000 people; greater than 5 jobs	5 points
<ul> <li>Community of 5,000 – 10,000</li> </ul>	0 people; greater than 10 jobs	5 points
<ul> <li>Medium community population</li> </ul>	on 10,000 – 40,000 people	
greater than 25 jobs:		5 points
<ul> <li>Large community &gt;40,000 per</li> </ul>	eople: greater than 50 jobs	5 points
Company information:		
Is the company a manufa		
Yes No	5 points 0 points	
le the company within an	·	
Yes	industry targeted by ODOC? 5 points	
No	0 points	
Project location:	•	
Is the project located in a	n enterprise zone?	
Yes	5 points	
No	0 points	
Regional project:		
,	government involvement does the pro	oject include?
One unit	0 points	
Two units	5 points	
Three units	10 points	

### **CAPITAL IMPROVEMENT PLANNING (CIP)**

Beginning in 1993, the Oklahoma Department of Commerce/Community Development (ODOC/CD) has funded grants to local governments to assist in developing Capital Improvement Plans (CIP).

To guide participating entities through this process, ODOC/CD created GeoCIP®, a standardized method for creating a Geographic Information System (GIS) based, comprehensive mapping and inventory of local government assets. This information is used in evaluating asset conditions, identifying infrastructure needs, setting improvement priorities and updating the local government's capital budget. The process also includes the development of a Total Capital Needs Summary/5-year strategic plan that prioritizes needs and identifies potential funding sources.

The local Council of Government (COG) will review and recommend CDBG CIP projects in their area. All CIP applications should be coordinated with the local COG. The applicant should contact their local COG to verify the application deadline. After each COG reviews the potential CDBG CIP projects in their area, they will submit the applications that they recommend to be awarded to ODOC/CD for contract consideration.

The total allocation for the CIP Program will be **\$440,000**. The deadline for application submission is **July 12, 2024**. The amount of CDBG funds that may be used for a CIP project varies depending on the project. Grant amounts will be based on the criteria set forth in the CDBG application packet. Each COG should determine their priority list of projects. Each local government must update compliance with meeting the National Objective of benefiting at least 51% of persons who are low to moderate income.

#### CDBG CIP COG Allocations:

1.	ACOG	\$40,000
2.	ASCOG	\$40,000
3.	COEDD	\$40,000
4.	EODD	\$40,000
5.	GGEDA	\$40,000
6.	INCOG	\$40,000
7.	KEDDO	\$40,000
8.	NODA	\$40,000
9.	OEDA	\$40,000
10.	SODA	\$40,000
11.	SWODA	\$40,000

After the **July 12, 2024** application deadline has passed, if any CDBG CIP funds remain in the set-aside that have not been applied for, additional time will be provided for COGs to submit an additional CDBG CIP application for those funds. To be eligible to submit an additional CDBG CIP application, a COG must have submitted a successful CDBG CIP application during the original application period **and** applied for all of their original allotted funds. Eligible COGs will be notified by email of the opportunity to submit an additional CDBG CIP application. The deadline

for the additional CDBG CIP applications is **September 13, 2024**. After the second deadline has passed, any funds not applied for in the CDBG CIP set-aside will be transferred to another set-aside as determined by ODOC/CD.

#### THRESHOLD REQUIREMENTS FOR CIP

- 1. COGs will evaluate CDBG CIP needs in their regions and recommend potential projects for eligible applicants to Commerce.
- 2. Eligible applicants for the CDBG CIP Program are units of general local governments (counties and incorporated towns and cities) that are CDBG eligible as identified by the Substate Planning District and in accordance with 62 O.S. § 2001 et al as amended.
- 3. Eligible applicants are required to work with their local COG to discuss doing a project.
- 4. Requests for funds must address at least one or more of the Primary National Objectives of the CDBG program:
  - (a) Provide a direct benefit (fifty-one percent [51%] or more) principally for persons of low income;
  - (b) Aid in the prevention or elimination of slums or blight; and
  - (c) Address a particular urgent need posing a serious and immediate threat to the health or welfare of a community.
- 5. Cities, Towns and Counties with previous CDBG funding <u>must have close-out documents</u> <u>submitted by January 31, 2024</u>.
  - (a) City/Town and County (Direct Jurisdiction) Applicants: City/Towns and Counties receiving a direct jurisdictional benefit may submit only one (1) grant application per CDBG Program Year selecting from CDBG Water/Wastewater Engineering, CDBG Water/Wastewater Construction, CDBG Community Revitalization, or CDBG Rural Economic Action Plan (REAP). A City/Town and County (Direct Jurisdiction) cannot submit a CDBG application if it currently has an open CDBG grant. Exclusions: Economic Development Infrastructure Financing (EDIF), Capital Improvement Planning (CIP). Typical County direct jurisdiction CDBG application projects are roads, bridges, County hospital, etc.
  - (b) County Sponsored Applicants: Counties acting in a "sponsorship" capacity may submit a maximum of one sponsored CDBG grant application per CDBG Program Year selecting from Water/Wastewater Engineering, Water/Wastewater Construction, Community Revitalization, or Rural Economic Action Plan (REAP). Limitation: Counties may ONLY have one (1) open sponsored CDBG grant and still make another sponsored CDBG application. Counties cannot exceed a maximum number of two open sponsored CDBG grants open at any given time. Exclusions: Economic Development Infrastructure Financing (EDIF), Capital Improvement Planning (CIP). Counties may sponsor applications where they do not have direct jurisdiction over certain public functions. Generally, these are communities with less than \$50,000 in revenue, Rural Water Districts, and Rural Fire Districts. Counties CANNOT submit a single application

containing multiple Units of General Local Governments or jurisdictions such as Rural Fire Districts under a single county sponsored application.

- 6. A proper sponsor for CDBG CIP projects is defined as a Unit of Local government with direct jurisdiction over the majority (60%) of the proposed project beneficiaries.
- 7. Proof that citizen participation requirements have been met, as evidenced by an application phase public hearing and written Citizen Participation Plan.
- 8. The Project Assessment is a detailed explanation of the scope of the project. It should include all work to be done and the tasks to be accomplished. Details on methodology and workflow used in the field as well as in the office should be provided. It should also include a description of the deliverables that are expected to be submitted at the end of the project.
- 9. The CDBG CIP grant request cannot exceed \$2,000 per beneficiary.
- 10. Applicants must provide a response to all application questions and satisfy all documentation requirements delineated in the Guideline and Application package including, but not limited to: Resolution, income survey results, survey maps, certifications, HUD Form 2880 Applicant Recipient Disclosure Update Report, project budget; etc.
- 11. TOWNS AND CITIES (COUNTIES ARE EXEMPT) MUST SUBMIT A COPY OF THEIR AUDIT OR THE AGREED UPON PROCEDURES BY THE APPLICATION DEADLINE. ALL TOWNS AND CITIES THAT HAVE A JUNE 30, FISCAL YEAR END DATE ARE REQUIRED TO SUBMIT A COPY OF THEIR FY 2023 AUDIT AND TOWNS AND CITIES THAT HAVE A DECEMBER 31, FISCAL YEAR END DATE ARE REQUIRED, AS A MINIMUM, TO SUBMIT A COPY OF THEIR FY 2022 AUDIT. NO APPLICATION WILL BE CONSIDERED FOR REVIEW OR FUNDING THAT DOES NOT MEET THE REQUIREMENTS STATED ABOVE.

If the city or town receives less than \$50,000 in annual revenues from its normal business and does not have an audit or agreed upon procedure, the city or town cannot apply directly to ODOC. The city or town can apply only by having the local County apply on their behalf, if the County chooses to do so. Nothing contained herein mandates a County to act as an accommodating party.

- 12. Applicants are responsible for accomplishing online application corrections/revisions along with any applicable application upload corrections/revisions as directed by ODOC staff within the pre-determined deadline. In fairness to other applicants and in order to maintain HUD required CDBG funding expenditure rates, ODOC can NOT indefinitely hold applications until the respective application corrections/revisions are accomplished. Applications will be considered INCOMPLETE if the prescribed corrections/revisions are not made to the application within the pre-determined deadline established by ODOC. This will result in a FAILED threshold application rating.
- 13. The Application Guidelines associated with this CDBG CIP Set-Aside contains an APPLICATION FORMS CHECKLIST outlining all application related documentation required to be uploaded into the online OKGrants application. It is the Applicant's responsibility to follow this checklist and seek additional guidance from ODOC staff as required. Applicants will be responsible for following and providing each item listed on the checklist. Failure to provide any of the required application documentation listed on the checklist will result in a FAILED application rating. Additionally, Applicants must provide a response to all

application questions and satisfy all documentation requirements delineated in the Application Guidelines and online OKGrants Application System including, but not limited to: Resolution, income survey results, resolution requesting assistance, survey maps, certifications, HUD Form 2880 Applicant Recipient Disclosure Update Report, project budget, etc.

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#### STATE CDBG PROGRAM PRIMARY NATIONAL OBJECTIVE

As addressed earlier, the primary National Objective of the State's CDBG program is:

"THE DEVELOPMENT OF VIABLE URBAN COMMUNITIES, BY PROVIDING DECENT HOUSING AND A SUITABLE LIVING ENVIRONMENT, AND EXPANDING ECONOMIC OPPORTUNITIES, **PRINCIPALLY FOR PERSONS OF LOW INCOME**."

By regulation, all community activities funded by CDBG must meet one of the broad, federally mandated national objectives. These are:

- 1. Benefit to low and moderate income persons;
- 2. Aid in the prevention or elimination of slums or blight; or
- 3. Community Development needs having a particular urgency, posing a serious and immediate threat to the health or welfare of a community.

It is estimated that, at a minimum, 95% of funds will be utilized on projects that meet the primary national objective of benefit to low- and moderate-income persons.

The use of the "benefit to low- and moderate-income persons" CDBG National Objective is considered as a funding PRIORITY under the State's CDBG Program and is treated as such under the State's individual CDBG set-asides. All project proposals submitted for funding through the CDBG Program must document the achievement of at least one of the National Objectives delineated under 24 CFR §570.483 (Criteria for National Objectives).

Under CDBG regulations, the State must demonstrate that at least 70% of expenditures benefitting low and moderate-income person. The State has an effective limit of 30% of the grant (adjusted for administration and program income) for slum and blight (and urgent need) activities. Because of this, potential applicants are REQUIRED to contact ODOC/CD before the submission of any CDBG application if intending to use a National Objective OTHER than "Providing benefit to low- and moderate-income persons".

#### NATIONAL OBJECTIVE: ELIMINATION OF SLUM AND BLIGHT

HUD guidance clarifies that states can be more restrictive than the statutory and regulatory national objective requirements, so long as the state requirements do not contradict federal requirements. For example, although three separate national objectives are eligible (Low and Moderate Income, Elimination of Slum and Blight, Urgent Need) under CDBG, a state may choose to fund only low and moderate income (LMI) benefit activities. The State of Oklahoma CDBG program prioritizes funding for CDBG activities qualifying under the low- and moderate-income national objective. The State's CDBG program is built on serving the low- and moderate-income national objective. Given this, the State's CDBG program funding is formally allocated for such low- and moderate-income qualifying activities as demonstrated in the annual CDBG Action Plan. Slum and Blight projects may be considered for available CDBG program re-use funds if the activity meets the specific guidelines addressed below. In order for consideration under this national objective, the respective Unit of General Local Government (UGLG) must first submit a formal letter of request to the ODOC Community Development Director thirty (30) days prior to the respective CDBG application deadline.

The focus of activities under this national objective is a change in the physical environment of a deteriorating area. This contrasts with the LMI benefit national objective where the goal is to ensure that funded activities benefit LMI persons.

In developing the criteria for qualifying under this national objective, HUD has taken considerable care to ensure that activities that qualify under the objective are either clearly eliminating objectively determinable signs of slums or blight in a defined slum or blighted area or are strictly limited to eliminating specific instances of blight outside such an area ("spot blight"). Accordingly, the subcategories under this national objective are:

- Addressing slums/blight on an area basis (24 CFR 570.483(c)(1)); and
- Addressing slums/blight on a spot basis (24 CFR 570.483(c)(2)).

#### Addressing Slums or Blight on an Area Basis

To qualify under the national objective of slums/blight on an area basis, an activity must meet all of the following criteria:

- 1. The area must be officially designated by the grant recipient and must meet a definition of a slum, blighted, deteriorated, or deteriorating area under State or local law. (For these purposes, it is not necessary to formally designate/declare the area to be blighted, but the area must meet the definitions for designation.)
- 2. The area must exhibit signs of economic disinvestment as indicated by at least one of the following physical signs of blight or decay:
  - A. There must be a substantial number of deteriorated or deteriorating buildings throughout the area. As a "safe harbor," HUD will consider this test to have been met if *either*:
    - (1) The proportion of buildings in the area that are in such condition is at least equal to that specified in the applicable State law for this purpose; **or** (2) In the case where the applicable State law does not specify the percentage of deteriorated or deteriorating buildings required to qualify the area, then at least one quarter of all the buildings in the area must meet the grant recipient's definition of:
      - a) deteriorated or deteriorating;
      - b) abandoned;
      - c) experiencing chronic high occupancy turnover rates or chronic vacancy rates in commercial or industrial buildings;
      - d) experiencing significant declines in property values or abnormally low property values relative to other areas in the community; or
      - e) known or suspected of environmental contamination
  - B. The public improvements throughout the area must be in a general state of deterioration. (For this purpose, it would be insufficient for only one type of public improvement, such as a sewer system, to be in a state of deterioration; rather, the public improvements taken as a whole must clearly exhibit signs of deterioration.)

3. Documentation must be maintained by the grant recipient on the boundaries of the area and the conditions that qualified the area at the time of its designation. The recipient must establish definitions of the conditions (listed above) and maintain records to substantiate how the area met the slums or blighted criteria.

Note: The area must be re-designated every 10 years for continued qualification and documentation must be retained.

4. Activities to be assisted with CDBG funds must be limited to those that address one or more of the conditions that contributed to the deterioration of the area. (Note that this does not limit the activities to those that address the blight or decay itself, but it allows an activity to qualify if it can be shown to address a condition that is deemed to have contributed to the decline of the area.)

Where the assisted activity is rehabilitation of residential structures, two additional criteria must be met:

- A. Each such building must be considered substandard under local definition. (States are to ensure that state grant recipients have developed minimum building quality standards for this purpose. Local conditions may be taken into consideration; states are also free to set standards regarding building quality.)
- B. All deficiencies making the building substandard must be corrected before less critical work on the building may be undertaken.

Note: These two criteria do not apply to nonresidential rehabilitation (rehabilitation of commercial or industrial buildings). Reference: 24 CFR 570.483(c)(1)

When the assistance is designed to address one or more of the specific conditions that originally qualified the area, typical activities designed to address blight on an area basis include:

- Acquisition and clearance of blighted properties,
- Rehabilitation of substandard housing,
- Infrastructure improvements,
- Renovation and reuse of abandoned, historic buildings,
- Commercial revitalization through facade improvements, and
- Removal of environmental contamination on property to enable it to be redeveloped for a specific use.
- 5. The records to be maintained must include:
  - The boundaries of the area;
  - A description of the conditions that qualified the area at the time of its designation in sufficient detail to demonstrate how the area met the criteria for designation.
    - Recipients must define and document their definition of the criteria used to qualify areas.
    - o Grant recipients must adopt local definitions related to deteriorating or deteriorated buildings/improvements, abandonment of properties, chronic

- high turnover rates, chronic high vacancy rates, significant declines in property values, abnormally low property values, and environmental contamination); and
- Designations must be re-determined every 10 years for continued qualification.
- A description of the activity showing how it addressed a condition that led to the
  decline of the area. Each residential rehabilitation activity must also be supported
  by documentation that shows:
  - How the building qualifies under the state grant recipient's definition of "sub-standard" and
  - As applicable, information showing that any deficiencies making the building substandard were eliminated prior to less critical work being done.

#### Addressing Slums or Blight on a Spot Basis

The elimination of specific conditions of blight or deterioration on a spot basis is designed to comply with the statutory objective for CDBG funds to be used for the prevention of blight, on the premise that such action(s) serves to prevent the spread to adjacent properties or areas.

To comply with the national objective of Elimination or Prevention of Slums or Blight on a Spot Basis, i.e., outside a slum or blighted area, an activity must meet the following criteria:

- The activity must be designed to eliminate specific conditions of blight, physical decay or environmental contamination not located in a designated slum or blighted area and
- The activity must be limited to one of the following:
  - Acquisition;
  - o Clearance:
  - Remediation of environmentally contaminated properties;
  - Relocation;
  - Historic Preservation; or
  - Rehabilitation of buildings, but only to the extent necessary to eliminate specific conditions detrimental to public health and safety.

Where the assisted activity is acquisition or relocation, it must be a precursor to another eligible activity (funded with CDBG or other resources) that directly eliminates the specific conditions of blight or physical decay, or environmental contamination. This requirement is not intended to discourage acquisition and relocation as pre-development activities and does not mandate that a proposed plan be in place before CDBG funds can be spent. For example, a grantee could clean up a contaminated site without acquiring the site; however, if the grantee acquired the site first, the project would be considered to meet the slum/blight national objective criteria only after clean-up occurred. Reference: 24 CFR 570.483(c)(2)

The records maintained must include:

- A description of the specific condition of blight or physical decay treated and,
- A description of the assisted activity showing that it falls under one of the activity types
  that are eligible to be carried out under this subcategory. Where rehabilitation of a building
  is carried out under this category, information showing how the activity eliminates
  conditions detrimental to public health and safety must be included.

To be considered detrimental to public health and safety, a condition must pose a threat to the public in general. A specific condition of a housing unit may be treated under this subcategory only if it poses a threat to any occupant. Thus, if a housing unit is occupied by a disabled person and a specific condition of the housing unit poses a threat to the health and safety only for the disabled occupant, it would not qualify (i.e., it would have to post a threat to non-disabled occupants as well).

Public improvements cannot qualify under this standard except for rehabilitation of public buildings (other than buildings for the general conduct of government) and historic preservation of public property that is blighted.

As a general rule, national objective compliance for the acquisition of real property must be based on the use of the property after the acquisition takes place. The initial determination is based on the planned use of the property, but the final determination is to be based on the actual use. However, when property is acquired for the purpose of clearance to remove specific conditions of blight or physical decay, the clearance is considered to be the actual use of the property, but any subsequent use made of the property following clearance must be considered to be a "change of use" under 24 CFR 570.489(j).

#### NATIONAL OBJECTIVE: URGENT NEED

HUD guidance clarifies that states can be more restrictive than the statutory and regulatory national objective requirements, so long as the state requirements do not contradict federal requirements. For example, although three separate national objectives are eligible (Low and Moderate Income, Elimination of Slum and Blight, Urgent Need) under CDBG, a state may choose to fund only low and moderate income (LMI) benefit activities. The State of Oklahoma CDBG program prioritizes funding for CDBG activities qualifying under the low- and moderate-income national objective. The State's CDBG program is built on serving the low- and moderate-income national objective. Given this, the State's CDBG program funding is formally allocated for such low- and moderate-income qualifying activities as demonstrated in the annual CDBG Action Plan. For an activity to be qualified under the national objective of Urgent Need there would have to be sufficient CDBG program re-use funds available, and the activity would have to meet the specific guidelines addressed below. For consideration under this national objective, the respective Unit of General Local Government (UGLG) must first submit a formal letter of request to the ODOC Community Development Director.

To comply with the national objective of meeting community development needs having a particular urgency, an activity must be designed to alleviate existing conditions which the local government certifies, and state determines:

- The specific infrastructure or public facility related activity is located within a Presidential declared disaster boundary.
- Pose a serious and immediate threat to the health or welfare of the community,
- Is of recent origin or recently became urgent. A condition will be considered to be of recent origin if it is developed or became critical within two months (60 days) of the Presidential disaster declaration date.
- A specific infrastructure or public facility related activity that has a past history of similar recurrent issues unrelated to the current disaster would not qualify for Urgent Need. For

example, a street that has a history of flooding annually due to a significant rainfall event would not qualify as an Urgent Need.

- The Unit of General Local Government (UGLG) is unable to finance the activity on its own.
- Other sources of funding are not available to carry out the activity, as certified by other state / federal agencies and the grant recipient. This would include Oklahoma Emergency Management and federal sources such as the Federal Emergency Management Agency (FEMA) and Small Business Administration (SBA) as applicable.
- The requested Infrastructure or public facility related activities must be publicly owned.

#### The records maintained must include:

- A description of the nature and degree of seriousness of the conditions requiring assistance;
- Evidence that the state grant recipient certified that the CDBG activity was designed to address the urgent need;
- Information on the timing of the development of the serious condition; and
- Evidence confirming that other financial resources to alleviate the need were not available
  as certified by other state / federal agencies and the grant recipient. This would include
  Oklahoma Emergency Management and federal sources such as the Federal Emergency
  Management Agency (FEMA) and Small Business Administration (SBA) as applicable.

HUD has said that states are free to establish criteria for what constitutes a "serious and immediate" threat. States are free to establish criteria or documentation requirements regarding the lack of other funding resources and local governments' inability to finance activities on their own. Activities designated solely to prevent a serious health or welfare threat from developing in the future will not qualify under this criterion. Despite the flexibility available to states in establishing criteria related to qualifying activities under the urgent need national objective, local communities should be made aware that this is a difficult standard to meet. Generally, activities that may not have met the standard for another national objective are unlikely to qualify under Urgent Need. Planning only grants are not allowed under Urgent Needs.

#### SPECIAL FUNDING AND ALLOCATION CONSIDERATIONS

#### **New Funding Allocations from HUD**

If any additional CDBG funds are allocated to the State, in addition to the regular CDBG allocation, by the U.S. Department of Housing and Urban Development, the funding will be allocated per the respective Federal Register Notice or regulatory guidance written expressly for the funding, after allowable State administration and technical assistance have been subtracted.

#### **Program Income Statement**

All program income:

- 1) Will revert to the State and will be used for CDBG eligible activities.
- 2) Must comply with applicable State and Federal rules and regulations.
- 3) Must be reported to the Oklahoma Department of Commerce.

Program income from FY'87-08 Economic Development projects deposited in the State's revolving fund will be used for CDBG eligible activities. These funds will be utilized in accordance with the re-use policy.

#### **Re-use Statement**

The definition of re-use is the funds available from cancellation of projects; from projects completed under budget; from funds designated but not expended as the State cannot predict in advance the source, amount, or timing of available re-use funds, the State reserves the right to determine, based upon need, timing and amount of funds available for re-use, the most appropriate utilization of these funds. This includes but is not limited to other set-asides. All re-use funds must be used for CDBG eligible activities and must comply with applicable State and Federal rules and regulations.

The Oklahoma Department of Commerce reserves the right to adjust set-aside and category allocations to ensure maximum utilization of funds. Such adjustments shall be the minimum amount necessary to fund projects efficiently and best facilitate the State's CDBG Program obligation and expenditure requirements established by HUD.

Based upon the above re-use statement, any funds utilized for any of the set-asides will be utilized in conformance with the guidelines established in this CDBG Action Plan for the individual set-aside.

#### **GENERAL DEFINITIONS**

#### Blighted Area

An area in which there are properties, buildings or improvements, whether occupied or vacant, whether residential or nonresidential, which by reason of dilapidation, deterioration, age, or obsolescence; inadequate provision for ventilation, light, air, sanitation or open spaces; population overcrowding, inadequate parcel size; arrested economic development; improper street layout; faulty lot layout in relation to size adequacy, accessibility or usefulness, unsanitary or unsafe conditions, deterioration of site or other improvements; diversity of ownership, tax or special assessment delinquency; any one or combination of such conditions which substantially impair or arrest the sound growth of municipalities or constitutes an economic or social liability which endangers life or property, or is conducive to ill health, transmission of disease, mortality, juvenile delinquency or crime, and by reason thereof is detrimental to public health, safety, morals, or welfare.

#### Benefit to Low- and Moderate-Income persons

To meet the National Objective of benefit to low- and moderate-income groups, an activity must at a minimum benefit households whose income is 80% of the median income for that county or Metropolitan Statistical Area (MSA) where the project is located as established by HUD. An activity undertaken in an area where 51% of the residents are low and moderate income does not necessarily benefit such persons. Each proposed activity must be analyzed on its own merits. Benefit is determined by the nature of the proposed activity and how it serves the residents of the target area.

#### Financial Leverage/Project Definition/EDIF

One (1) new dollar from other sources must be committed as financial leverage for every CDBG-EDIF dollar requested. Financial, leverage is defined as new money recently contributed to the project for the express purpose of implementing the proposed project.

<u>Financial leverage must be committed and in place with supporting documentation at the time of application submittal.</u>

The source of new money may be cash or other valuable consideration, e.g., land, bank loans, proceeds from the sale of stocks or bonds or loans from other public agencies.

Private and public investments that do not qualify as financial leverage are existing net worth, existing debt, future operating expenses, and inventory. Additionally, In-Kind leverage is ineligible.

#### **Proper Sponsors**

A proper sponsor under the Community Development set-aside is defined as the unit of government with direct jurisdiction over the majority (60%) of the proposed project's beneficiaries. If no unit of local government has sixty percent (60%) of the proposed beneficiaries, then the unit of local government with the majority of the proposed beneficiaries must sponsor the application.

#### Program Income

Gross income earned by a grantee from grant supported activities includes, but is not limited to, sale of real or personal property, service fees, sale of commodities, usage or rental fees, royalties, and loan and interest repayments on economic development projects.

#### CDBG Project Definition

Under the State's CDBG program, a project is defined as ONE eligible or sponsored unit of local government (UGLG) applying for ONE CDBG activity in which there is a benefit to only ONE geographically TARGETED AREA or an entire COMMUNITY-WIDE AREA. These areas allow for a CDBG activity in which only ONE LMI survey (as applicable) is required. Per CDBG application thresholds, the following CDBG applications; CDBG REAP, CDBG Community Revitalization, CDBG W/W Engineering, and CDBG W/W Construction only allow for ONE activity/project to be submitted per application. If the project doesn't meet the above definition it will be disqualified resulting in a FAILED application rating.

#### Leverage

Leverage may consist of the following: Cash from other Federal/State grants and loans, local funds, and capital improvement funds earmarked (as a release of funds requirement) in municipal and/or county budget. Fair market value is given to land, building, or materials portion of infrastructure improvements. In-kind contributions are eligible for the leverage requirement if properly valued and documented.

The value of in-kind contributions must be reasonable and verifiable. Additionally, the claiming of leverage must be fair and consistent among all communities who are competing for CDBG project funds. The Department reserves the right to require additional documentation of the extent and value of in-kind contributions and to reject the proposed valuation of the contributions if found to be unreasonable or lack appropriate documentation. In-kind includes value of force account labor, voluntary labor (at \$10.00 per hour) and services and supplies provided by another entity. Guidelines for documentation are included in the application manual.

Proposed leverage must be directly related to the proposed CDBG project proposal. Penalties may be accessed for in-kind leverage not materializing.

#### Target Area

That portion of a town, city or county within which the governing body of such town, city, or county determines that by reason of special need or special condition the area is designated for specific analysis and project development.

#### **GENERAL APPLICATION PROCEDURES**

All applications for assistance must be submitted using the appropriate online application forms through the State's online application system formally known as *OKGrants*. Applications must include a resolution passed by the current governing body requesting that assistance and must comply with all required certifications. As a part of ODOC/CD's administrative responsibility, the Department guarantees that all applicants under the CDBG program will be protected against any form of unlawful discrimination.

The Oklahoma Department of Commerce will review only one application per entity per set-aside. The restriction of submitting only one application does not apply to economic development or CIP projects. No facsimile or paper applications will be accepted in any set-aside. All specific application procedures are included in the set-aside descriptions in this plan.

#### **Disallowance of Supplemental Funding:**

Once a unit of local government is awarded CDBG funds for a specific project/activity, that unit of local government will not be allowed to apply for additional/supplemental CDBG funds for that specific project/activity.

#### **Audit Requirement:**

All audits of prior awards from ODOC/CD must be in accordance with ODOC/CD Audit Policies and Procedures Manual. An audit is required if \$50,000 or more was received from ODOC/CD. The audit should be completed, and the report submitted no later than twelve (12) months after the end of the contractor's fiscal year.

If the audit has not been submitted or the audit is not closed prior to the release of funds, the contract may be unable to draw funds unless a good cause is shown and approved by ODOC/CD.

The General Rules of Practice and Procedure established by ODOC/CD include a formal appeals process pursuant to the Oklahoma Administrative Procedures Act (OAPA). In addition, ODOC/CD has promulgated CDBG Rules in accordance with OAPA.

All individuals who wish to administer a Community Development Block Grant (CDBG) project for a fee, regardless of the source of the fee, except for full-time employees of local units of government, will have to be certified by the Oklahoma Department of Commerce/Community Development. This requirement went into effect at the beginning of the 1998 CDBG Fiscal Year on April 1, 1998.

#### **SAM.Gov Debarred / Exclusion Check Requirement:**

The System for Award Management (SAM) is an official website of the U.S. government. You must have an active registration in SAM to do business with the Federal Government. There is no cost to use SAM. The General Services Administration (GSA) is required by the Federal Acquisition Regulation (FAR) to compile and maintain a list of parties debarred, suspended, or disqualified by federal agencies in SAM.gov. Units of General Local Government (UGLG's), contractors as well as recipients of federal financial assistance must be registered at SAM.gov. Active registration in SAM is required to apply for an award and for HUD to make a payment. ODOC is required by HUD to check UGLG grantees' debarment/exclusion status in the federal SAM database and place a record on file. You can use this site for FREE to:

- Register to do business with the U.S. government
- Update or renew your entity registration

- Check status of an entity registration
- Search for entity registration and exclusion records

Per the SAM User Guide, the No Active Exclusions field on the SAM Entity summary indicates whether the entity has a current debarment. SAM.gov will check the exclusions list for the DUNS number of your entity and indicate whether any exclusion records exist. If an active exclusion record exists for your entity, this question will default to "Yes," meaning that the contractor is debarred. No Record Found means that the entity is not registered or has let its registration lapse. The entity should ensure that the email address is current in SAM.gov so that when automated reminders are sent to renew registration each year that this reminder does not go into spam due to an obsolete email address.

**Get started with a SAM.gov registration and the Unique Entity Identifier Number:** If you have not yet started your registration, please create an individual user account and log into SAM.gov to register your entity. To register in SAM.gov, at a minimum, you will need the following information:

#### U.S. REGISTRANTS:

- 1. Legal Business Name, and Physical Address (A post office box may not be used as your physical address).).
- 2. Your Taxpayer Identification Number (TIN) and Taxpayer Name associated with your TIN. Review your tax documents from the IRS (such as a 1099 or W-2 form) to find your Taxpayer Name.
- 3. Your bank's routing number, your bank account number, and your bank account type, i.e. checking or savings, to set up Electronic Funds Transfer (EFT).

Refer to the following website <u>SAM.gov</u> <u>Home</u> for the applicable options provided for your entity. If you have already registered, check your status by clicking on "Check Registration Status" and logging in with your username and password; then provide your UEI Number or CAGE Code. You will need to download the information provided by the site by clicking on the Download heading toward the top of the page which creates an electronic pdf copy of the document that will need to be saved for your records. That pdf will be required to be uploaded into OKGrants with the status that shows that the UGLG has an Active status and has NO ACTIVE EXCLUSIONS.

You must renew your registration every 365 days to keep it active. You can make updates to your registration anytime or during renewal.

#### PERFORMANCE MEASUREMENT SYSTEM

The proposed Outcome Performance Measurement System was published in the Federal Register on June 10, 2005 (70 FR 34044). The final outcome performance measurement system includes objectives, outcome measures, and indicators that describe outputs. For a full discussion of the objectives, outcomes and indicators see Oklahoma's Consolidated Plan. The

objectives are Creating Suitable Living Environments, Providing Decent Affordable Housing, and Creating Economic Opportunities. The Outcome categories are Accessibility/Availability, Affordability, and Sustainability. There is a standardized list of output indicators that Oklahoma will report on as appropriate for our chosen objectives and outcomes.

The State of Oklahoma's estimated performance measures can be found in the State's Consolidated Plan. These performance measures are listed in tables that provide performance measurement data which span the five-year lifecycle of the State's Consolidated Plan. These measures are categorized as Public Facility and Improvements (which includes CDBG Water and Wastewater, CDBG Community Revitalization, CDBG Small Cities, and CDBG/REAP), CDBG Economic Development and Planning set-asides. Within each of these categories "common indicators", new specific HUD designated indicators and ODOC internal indicators are set forth.

#### **RISK ASSESSMENT**

ODOC/CD performs monitoring of the CDBG projects. Not every project will be monitored on-site. Desk monitoring may be utilized for projects that are low risk or when the Grantee has an exemplary management history.

ODOC/CD has developed a monitoring strategy that targets a sampling of projects or activities. This sampling is based on risk factors associated with various types of projects and/or Grant Recipients. While every project receives some level of monitoring, priority for in-depth evaluation and review is given to projects that are:

- 1. Multi-jurisdictional, i.e., involving more than one unit of local government;
- 2. Involve some level of risk, as evidenced by:
  - a. Lack of recent history in administering a CDBG project;
  - b. Evidence of numerous accounting or financial tracking errors on current or previous projects;
  - c. A record of serious findings or sanctions in previous monitoring sessions;
  - d. High turnover of administrative staff;
  - e. Delays in submitting required reports;
  - f. Prior violations;
  - g. Failure to attend and participate in implementation workshops;
  - h. Excessive tardiness in responding to prior monitoring findings.
- 3. By definition, economic development projects are considered high risk.

In addition, CDBG subrecipients must meet certain threshold requirements listed in the CDBG application guidance for each CDBG set-aside. These threshold requirements assist ODOC/CD to assess risk and to award funds to those potential subrecipients with the best administrative and financial capacity to manage grants.



## **Attachment A**

2019 Disaster Recover Unmet Needs Assessment

## **Unmet Needs Assessment**

### Overview

Many types of assistance fund projects that support disaster recovery. Several types of assistance have been provided to DR-4438 disaster survivors. Yet, in many cases, the total need for such survivors is greater than the total assistance provided since the disaster. The gap in total need and total assistance provided to disaster survivors is the current unmet need. Many of these needs can be addressed through CDBG-DR funds. Unmet need exists in the areas of housing, infrastructure, and planning. Data to determine the unmet need was compiled through two phases of data collection. The first phase occurred from February 21, 2020, to March 13, 2020. The second phase occurred from October 8, 2020, to February 16, 2021. In both phases, ODOC sent out an unmet needs survey to a variety of stakeholders in Oklahoma. For more information about the outreach efforts by ODOC, please refer to Outreach Efforts and Data Collection on page 75.

During both phases, Disaster Recovery notification letters were also mailed to each of the State's eight (8) Substate Planning Districts, also known as Councils of Government. Additionally, supplemental data from FEMA Individual Assistance and FEMA NIFP datasets were obtained and analyzed for a greater understanding for unmet housing needs in Oklahoma.

It is important to note that immediately after a disaster data is often preliminary and incomplete. ODOC has periodically collected data since May and June of 2019 when the disasters took place. Over time, a clearer picture of the unmet needs in the state have emerged.

Beyond the real property damage, high water can destroy the wiring, gas lines, furnace, and septic systems, as well as personal belongings. Adding high wind to the water can cause a house's structural components-the struts. studs, and foundation-to shift or warp. Tilting walls or shifted roof also suggest dangerous structural damage that could signal an imminent collapse. Inside the property, ceilings may sag under the weight of trapped water or soggy drywall. Wet floorboards bend and buckle, and the roof may leak or break altogether. Flooding in the basement can be especially dangerous; if the water is removed too quickly, pressure from the soaked earth outside can push inward and crack the foundation walls. Many of these types of structural damages are detailed in FEMA-IA data.

Structural hazards account for only one type of water damage. Anything that gets soaked through with water may contain sewage contaminants or provide a substrate for mold. A long-lasting flood provides more time for the mold to grow and requires more cleanup after the fact. Carpets must be thrown away, along with personal property such as mattresses, bedding, and furniture. Survivors living in their damaged homes not only risk injury from structural damage, health concerns from breathing in mold, but also the standing water. In some communities standing water lasted over nine (9) days, a ready breeding ground for insects and other animals that in turn create additional health and safety risks.

Communities in rural Oklahoma have access to fewer local resources, lengthy travel times to find equipment and materials, and fewer private sector solutions available. Dedicated disaster case managers can work with and for the survivor to assist them to maximize limited resources and supplies needed for successful recovery. Survivors experience exhaustion, emotional distress, and the devastating upheaval and potential ruin.

Barriers to disaster recovery for individuals with disabilities include a lack of accessible housing, transportation, and disaster services. Supports to disaster recovery include the individual effort and advocacy of case managers connecting with needed resources, collaboration with other agencies, and client motivation and persistence. In the impacted communities, these resources are limited normally and will require additional assistance through case management processes to overcome structural and systemic barriers.

## Most Impacted and Distressed Areas – HUD CDBG-DR Determination

As with prior CDBG-DR appropriations, HUD is not obligated to allocate funds for all major disasters occurring in the statutory timeframes. HUD is directed to use the funds "in the most impacted and distressed areas." HUD has implemented this directive by limiting CDBG-DR formula allocations to grantees with major disasters that meet three standards:

- 1. Individual Assistance / Individual Households (IHP) designation. HUD has limited allocations to those disasters where FEMA had determined the damage was sufficient to declare the disaster as eligible to receive Individual and Households Program funding.
- Concentrated damage. HUD has limited its estimate of serious unmet housing need to counties and zip codes with high levels of damage, collectively referred to as "most impacted areas." For this allocation,

- HUD is defining most impacted areas as either most impacted counties counties exceeding \$10 million in serious unmet housing needs and most impacted Zip Codes Zip Codes with \$2 million or more of serious unmet housing needs. The calculation of serious unmet housing needs is described below.
- 3. Disasters meeting the most impacted threshold. Only 2018 and 2019 disasters that meet this requirement for most impacted damage are funded if one or more county or zip codes meets the thresholds above. Note that this allocation only includes disasters declared as of October 4, 2019. Other 2019 disasters will be addressed in a future notice.

For disasters that meet the most impacted threshold described above, the unmet need allocations are based on the following factors summed together:

- Repair estimates for seriously damaged owner-occupied units without insurance (with some exceptions) in most impacted areas after FEMA and SBA repair grants or loans; an estimate for homeowners served by FEMA's Permanent Housing Construction program is also deducted from the homeowner unmet need estimate.
- 2. Repair estimates for seriously damaged rental units occupied by very low-income renters in most impacted areas.
- 3. Repair and content loss estimates for small businesses with serious damage denied by SBA; and
- 4. The estimated local cost share for Public Assistance Category C to G projects.

#### METHODS FOR ESTIMATING SERIOUS UNMET NEEDS FOR HOUSING

The data HUD uses to calculate unmet needs for 2018 qualifying disasters come from the FEMA Individual Assistance program data on housing-unit damage as of July 17, 2019. The data for 2019 qualifying disasters are as of November 13, 2019.

The core data on housing damage for both the unmet housing needs calculation and the concentrated damage are based on home inspection data for FEMA's Individual Assistance program and SBA's disaster loan program. HUD calculates "unmet housing needs" as the number of housing units with unmet needs times the estimated cost to repair those units less repair funds already provided by FEMA and SBA.

Each of the FEMA inspected owner units are categorized by HUD into one of five categories:

- A. Minor-Low: Less than \$3,000 of FEMA inspected real property damage.
- B. Minor-High: \$3,000 to \$7,999 of FEMA inspected real property damage
- C. Major-Low: \$8,000 to \$14,999 of FEMA inspected real property damage and/or 1 to 3.9 feet of flooding on the first floor.
- D. Major-High: \$15,000 to \$28,800 of FEMA inspected real property damage and/or 4 to 5.9 feet of flooding on the first floor.
- E. Severe: Greater than \$28,800 of FEMA inspected real property damage or determined destroyed and/or more feet of flooding on the first floor.

When owner-occupied properties also have a personal property inspection or only have a personal property inspection HUD reviews the personal property damage amounts such that if the personal property damage places the home into a higher need category over the real property assessment, the personal property amount is used as follows:

- A. Minor-Low: Less than \$2,500 of FEMA inspected personal property damage
- B. Minor-High: \$2,500 to \$3,499 of FEMA inspected personal property damage
- C. Major-Low: \$3,500 to \$4,999 of FEMA inspected personal property damage or 1 to 3.9 feet of flooding on the first floor.
- D. Major-High: \$5,000 to \$9,000 of FEMA inspected personal property damage or 4 to 5.9 feet of flooding on the first floor.
- E. Severe: Greater than \$9,000 of FEMA inspected personal property damage or determined destroyed and/or 6 or more feet of flooding on the first floor.

To meet the statutory requirement of "most impacted" in this legislative language, homes are determined to have a high level of damage if they have damage of "major-low" or higher. That is, they have a FEMA inspected real property damage of \$8,000 or above, personal property damage \$3,500 or above, or flooding 1 foot or above on the first floor.

Furthermore, a homeowner with flooding outside the 1% risk flood hazard area is determined to have unmet needs if they reported damage and no flood insurance to cover that damage. For homeowners inside the 1% risk flood hazard area, homeowners without flood insurance with flood damage below the greater of national median or 120% of Area Median Income are determined to have unmet needs. For non-flood damage, homeowners without hazard insurance with incomes below the greater of national median or 120% of Area Median Income are included as having unmet needs.

FEMA does not inspect rental units for real property damage so personal property damage is used as a proxy for unit damage. Each of the FEMAinspected renter units are categorized by HUD into one of five categories:

- A. Minor-Low: Less than \$1,000 of FEMA inspected personal property damage
- B. Minor-High: \$1,000 to \$1,999 of FEMA inspected personal property damage
- C. Major-Low: \$2,000 to \$3,499 of FEMA inspected personal property damage or 1 to 3.9 feet of flooding on the first floor.
- D. Major-High: \$3,500 to \$7,500 of FEMA inspected personal property damage or 4 to 5.9 feet of flooding on the first floor.
- E. Severe: Greater than \$7,500 of FEMA inspected personal property damage or determined destroyed and/or 6 or more feet of flooding on the first floor.

To meet the statutory requirement of "most impacted" for rental properties, homes are determined to have a high level of damage if they have damage of "major-low" or higher. That is, they have a FEMA personal property damage assessment of \$2,000 or greater or flooding 1 foot or above on the first floor.

Furthermore, landlords are presumed to have adequate insurance coverage unless the unit is occupied by a renter with income less than the greater of the Federal poverty level or 50% of median income. Units occupied by a tenant with income less than the greater of the poverty level or 50% of median income are used to calculate likely unmet needs for affordable rental housing. Affordable housing is generally defined as housing on which the occupant is paying no more than 30 percent of gross income for housing costs, including utilities.

The average cost to fully repair a home for a specific disaster to code within each of the damage categories noted above is calculated using the median real property damage repair costs determined by the SBA for its disaster loan program for the subset of homes inspected by both SBA and FEMA for each eligible disaster.

Minimum multipliers are not less than the 1st quarter median for all Individual Assistance (IA) eligible disasters combined in each disaster year at the time of the allocation calculation, and maximum multipliers are not more than the 4th quarter median for all IA eligible disasters combined in each disaster year with data available as of the allocation. Because SBA is inspecting for full repair costs, their estimate is presumed to reflect the full

cost to repair the home, which is generally more than the FEMA estimates on the cost to make the home habitable. If there is a match of fewer than twenty (20) SBA inspections to FEMA inspections for any damage category, the minimum multiplier is used.

For each household determined to have unmet housing needs (as described above), their estimated average unmet housing need is equal to the average cost to fully repair a home to code less assistance from FEMA and SBA provided for repair to the home, based on their damage category (noted above).

# METHODS FOR ESTIMATING SERIOUS UNMET ECONOMIC REVITALIZATION NEEDS

Based on SBA disaster loans to businesses using data for 2018 disasters from as of date July 17, 2019, and for 2019 disasters from as of data November 14, 2019, HUD calculates the median real estate and content loss by the following damage categories for each state:

- A. Category 1: real estate + content loss = below \$12,000
- B. Category 2: real estate + content loss = \$12,000-\$29,999
- C. Category 3: real estate + content loss = \$30,000-\$64,999
- D. Category 4: real estate + content loss = \$65,000-\$149,999
- E. Category 5: real estate + content loss = \$150,000 and above

For properties with real estate and content loss of \$30,000 or more, HUD calculates the estimated amount of unmet needs for small businesses by multiplying the median damage estimates for the categories above by the number of small businesses denied an SBA loan, including those denied a loan prior to inspection due to inadequate credit or income (or a decision had not been made), under the assumption that damage among those denied at pre-inspection have the same distribution of damage as those denied after inspection.

#### METHODS FOR ESTIMATING UNMET INFRASTRUCTURE NEEDS

To calculate 2018 and 2019 unmet needs for infrastructure projects, HUD obtained FEMA cost estimates (as of July 17, 2019, for the 2018 disasters and November 13, 2019, for 2019 disasters) of the expected local cost share to repair the permanent public infrastructure (Categories C to G) to their prestorm condition.

#### **ALLOCATION CALCULATION**

Once eligible entities are identified using the above criteria, the allocation to individual grantees represents their proportional share of the estimated unmet needs. For the formula allocation, HUD calculates total unmet recovery needs for eligible 2018 and 2019 disasters as the aggregate of:

- A. Serious unmet housing needs in most impacted counties;
- B. Serious unmet business needs; and
- C. Unmet infrastructure need.

HOUSING: Oklahoma - DR 4438: Severe Storms/Straight-Line Winds/Tornadoes/Flooding

Serious Unmet						County	Zip Code	Total
Housing Need		Total	Owner	Renter	Total	Most	Most	Most
Estimate Most	Total Any	Serious	Serious	Serious	Serious	Impacted	Impacted	Impacted
Impacted Area	Damage	e Damage	Unmet	Unmet	Unmet	Areas	Areas	Areas
\$24,206,420.00	1,086	689	391	88	479	2	L	2

	Serious Unmet					
	Housing Need		Total		Renter	Total
Most Impacted	Estimate Most	Total Any	Serious	Owner Serious	Serious	Serions
Area	Impacted Area	Damage	Damage	Unmet	Unmet	Unmet
Muskogee				160 (80% of	40 (20% of	
County	\$10,810,829.00	341	261	total)	total)	200
				204 (89% of	24 (11% of	
Tulsa County	\$10,569,537.00	629	362	total)	total)	228
Sequoyah						
County Zip					24 (47% of	
Code: 74946	\$2,826,054.00	99	99	27 (53% of total)	total)	51

Table 3: Unmet housing needs following the 2019 disaster

#### SERIOUS UNMET NEED HOUSING MULTIPLIERS FOR 2019 DISASTERS

Estimated average cost to repair for uninsured properties after subtracting out average per unit amount estimated to be covered by SBA and FEMA assistance.

A. Major – Low: \$31,492.00 B. Major – High: \$49,592.00 C. Severe: \$69,101.00

# Most Impacted and Distressed Areas – ODOC Determination

Federal Register Notice / Vol. 85, No. 17 / Monday, January 27, 2020, stipulates that a minimum of 80% of the \$36,353,000 State of Oklahoma CDBG-DR allocation must be expended on eligible CDBG-DR projects within Muskogee, Tulsa, and Sequoyah (Area Code: 74946) Counties. The remaining 24 counties and the entirety of Sequoyah County will be considered the State's MIDs and will be eligible applicants consistent with the method of distribution with HUD's MIDs. Therefore, the remaining 20% of eligible funds will be delegated to such counties.

As shown in this 2019 CDBG-DR Action Plan, the State found little differing evidence in terms of number of damaged structures, unmet need, or social and economic characteristics that would distinguish any one county from another as Most Impacted and Distressed Area. There were no outliers in terms of data gathered that suggested certain counties needed funds significantly more for housing or infrastructure than others. Responses received during Survey I and Survey II were limited. Due to limited responses received, ODOC does not want to bar any county from the opportunity to apply for funding. Therefore, the State will consider the following counties as State MIDs: Alfalfa, Canadian, Cherokee, Craig, Creek, Delaware, Garfield, Kay, Kingfisher, Le Flore, Logan, Mayes, Noble, Nowata, Okmulgee, Osage, Ottawa, Pawnee, Payne, Pottawatomie, Rogers, Sequoyah (OUTSIDE of area code 74946), Wagoner, Washington, Woods. These counties are eligible to receive 20% of eligible funds. Applications for State MIDs will be scored competitively.

## Repetitive Flood Loss

The National Flood Insurance Program (NFIP) is managed by the Federal Emergency Management Agency. The NFIP provides flood insurance to property owners, renters, and businesses. FEMA retains responsibility for underwriting flood insurance coverage sold under that program.

Flood insurance is required for homes and businesses located in high-risk areas if those homes and businesses have a mortgage from a lender that is federally regulated or insured. Property owners that live in a high-risk area, and who have received federal disaster assistance (including FEMA grants or SBA loans) in the past, are required to maintain flood insurance to be considered for future disaster aid.

Though it is true floods can happen anywhere, including in areas that are not considered high-risk, it is predictable that structures located in the floodplain will flood repeatedly over the years. ODOC/CD cross analyzed NFIP and FEMA-IA data to determine which structures within the 27 eligible counties had repetitive losses to the NFIP program. A repetitive loss is any coverage issued by a flood insurance provider more than once to compensate the property owner for building damage, damage to personal contents, or both.

Since 1978, NFIP has issued \$58,410,231.99 to property owners in the 27 eligible counties that have experienced repetitive losses. A total of 22 dwelling structures experienced a repetitive loss under the May-June 2019 storm events. The results per county are as follows:

County Name	Number of Dwelling Structures with Repetitive Losses (since YR 1978)	Number of Dwelling Structures under DR- 4438
Alfalfa	4	0
Canadian	28	0
Cherokee	11	2
Craig	3	0
Creek	25	0
Delaware	18	2
Garfield	4	0
Kay	45	2
Kingfisher	37	0
Le Flore	2	0
Logan	38	1
Mayes	15	0
Muskogee	23	0
Noble	0	0

Nowata	1	0
Okmulgee	11	2
Osage	4	0
Ottawa	126	2
Pawnee	0	0
Payne	5	0
Pottawatomie	23	0
Rogers	28	1
Sequoyah	6	0
Tulsa	224	3
Wagoner	53	7
Washington	27	0
Woods	0	0
TOTALS:	761	22

Table 4: NFIP repetitive losses since 1978

As shown, 22 of the residential structures that flooded in the 2019 storm events had flooded in the past <u>and</u> received insurance money from flood insurance for those past storm events. Repetitive loss structures will score higher on the application for the Voluntary Buyout Program.

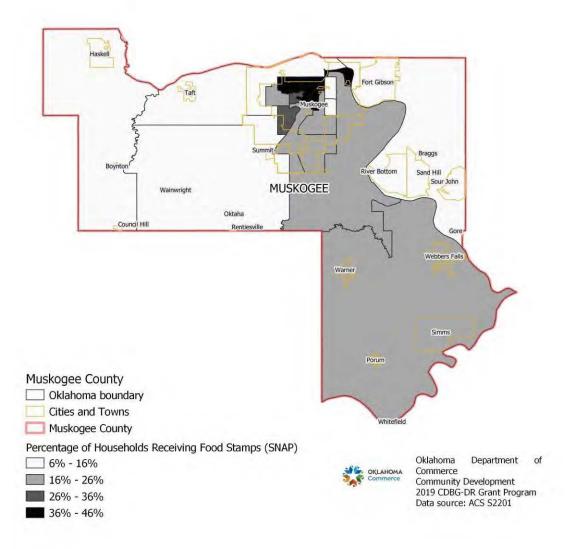
# Socioeconomic Assessment of HUD-identified Most Impacted and Distressed (MID) Areas

ODOC wanted to know whether there was a concentration of damaged dwelling structures in areas of poverty in the three MID counties (Muskogee, Sequoyah, and Tulsa). Census Tracks were used along with American Community Survey (ACS) data that reported on the number of households receiving SNAP benefits (food stamps). SNAP benefits are used as a proxy to determine poverty because to receive SNAP benefits, one must be below poverty level in Oklahoma.

It must be noted that this analysis does not attempt to conclude that households who experienced damage to the dwelling structure did in fact receive SNAP benefits in 2019, nor does this analysis conclude that these households are currently receiving SNAP benefits. The purpose of this analysis is to put the whole collection of damaged structures within a geographical and economic context that describes a concentration of

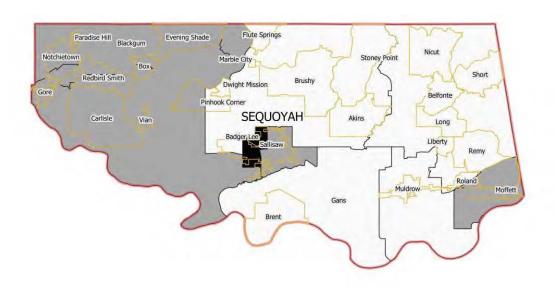


Percentage of Households in Muskogee County, Oklahoma, using SNAP Benefits (Food Stamps)



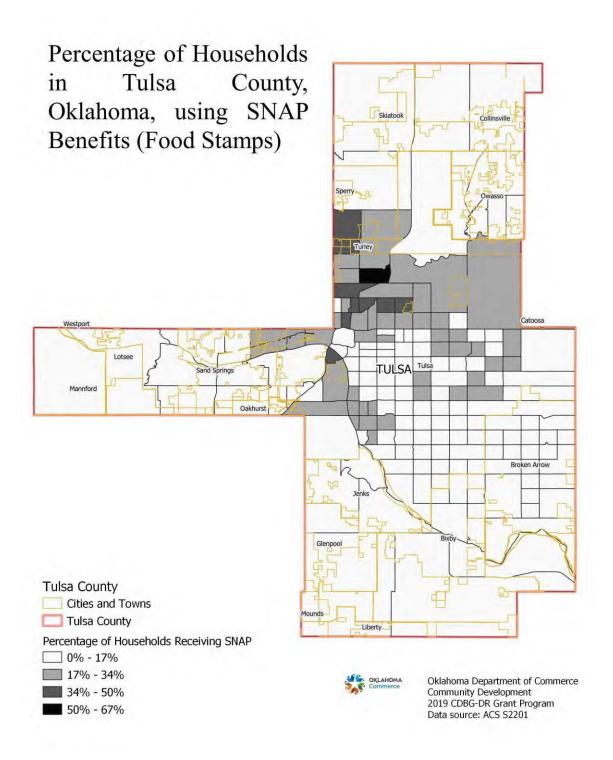
Map 2: Percentage of Households in Muskogee County, OK, using SNAP Benefits

## Percentage of Households in Sequoyah County, Oklahoma, using SNAP Benefits (Food Stamps)





Map 3: Percentage of Households in Sequoyah County, OK, using SNAP benefits



Map 4: Percentage of Households in Tulsa County, OK, using SNAP Benefits

#### **MUSKOGEE COUNTY**

Outside of the City of Muskogee and Fort Gibson, Muskogee County is made up of mostly rural communities. ODOC determined there is a higher concentration of damaged dwelling structures in Census Tracts that report a high percentage of receiving SNAP benefits (26%-36%). This indicates that there is a strong likelihood that applicants will be considered LMI, a National Objective and threshold requirement for the 2019 CDBG-DR program. It is ODOC's primary objective to support Low-to-Moderate-Income individuals in their disaster recovery efforts.

#### **SEQUOYAH COUNTY**

Sequoyah County is also composed of mostly rural communities. ODOC determined there is a higher concentration of damaged dwelling structures in Census Tracts that report a high percentage of receiving SNAP benefits (20%-25%). This indicates that there is a strong likelihood that applicants will be considered LMI, a National Objective and threshold requirement for the 2019 CDBG-DR program. It is ODOC's primary objective to support Low-to-Moderate-Income individuals in their disaster recovery efforts.

#### **TULSA COUNTY**

Of the three HUD Identified MID areas, Tulsa County is the most urbanized though it still holds many thriving rural communities within its borders. ODOC determined the concentration of damaged dwelling structures in Census Tracts were spread out more evenly. There were, however, pockets of higher concentrations of damaged dwelling structures in some Census Tracts. Based on the data, there will be many potential LMI applicants in Tulsa County that could benefit from CDBG-DR programs.

#### **NOTE**

The other 24 eligible counties have not been analyzed for SNAP usage.

POVERTY STATUS IN THE PAST 12 MONTHS FOR THE HUD DESIGNATED MOST IMPACTED AND DISTRESSED AREAS The following data was obtained from the American Community Survey (S1701 2019) at the Census Tract Level.

#### **MUSKOGEE COUNTY**

There are an estimated 15,355 persons below the poverty level in Muskogee County. This information is summarized in the chart below:

Muskogee County, Oklahoma: Poverty Status in the Past 12	
Months	Estimate
Total Population	64,107
Below Poverty Level	15,355
Percent Below Poverty	24%

Table 5: Muskogee County - Poverty status in past 12 months

#### **SEQUOYAH COUNTY**

There are an estimated 8,851 persons below the poverty level in Muskogee County. This information is summarized in the chart below:

Sequoyah County, Oklahoma: Poverty Status in the Past 12  Months	Estimate
Total Population	41,210
Below Poverty Level	8,851
Percent Below Poverty	21.5%

Table 6: Sequoyah County - Poverty status in past 12 months

#### **TULSA COUNTY**

There are an estimated 91,962 persons below the poverty level in Tulsa County. This information is summarized in the chart below:

Tulsa County, Oklahoma: Poverty Status in the Past 12 Months	Estimate
Total Population	641,445

Below Poverty Level	91,962
Percent Below Poverty	14.3%

Table 7: Tulsa County - Poverty status in past 12 months

### FY2020 STATEWIDE INCOME LIMITS

The current Median Household Income (MHI) for the State of Oklahoma is \$54,449 (per 2019 ACS estimates). This is \$11,263 lower than National MHI. The Statewide Income Limits for Oklahoma are as follows for FY 2020:

		FY 2020 L	.ow-Inco	me (80%)	Limit (LIL)	)	
1	2	3	4	5	6	7	8
Person	Person	Person	Person	Person	Person	Person	Person
\$36,550	\$41,800	\$47,000	\$52,250	\$56,400	\$60,600	\$64,800	\$68,950

	FY 2	2020 Very	Low-Inc	ome (50%	6) Limit (\	/LIL)	
1	2	3	4	5	6	7	8
Person	Person	Person	Person	Person	Person	Person	Person
\$22,850	\$26,100	\$29,400	\$32,650	\$35,250	\$37,850	\$40,500	\$43,100

	FY:	2020 Extr	emely Lo	w-Incom	ne Limit (I	ELIL)	
1	2	3	4	5	6	7	8
Person	Person	Person	Person	Person	Person	Person	Person
\$13,700	\$15,650	\$17,650	\$19,600	\$21,150	\$22,700	\$24,300	\$25,850

Table 8: FY20 - Statewide Income Limits

## County Level Income Limits for 2019 CDBG-DR

The Income Limits for all 27 affected counties are as follows:

FY 2021 Income Limits	Median Family Income	FY 2021 Income Limit Category	Family	Family of 2	Family of 3	Family of 4	Family of 5	Family of 6	Family of 7	Family of 8
		Extremely Low- Income	14,950	17,420	21,960	26,500	31,040	35,580	40,120	44,660
Alfalfa County, OK	\$71,000	Very-Low Income	24,900	28,450	32,000	35,550	38,400	41,250	44,100	46,950
		Low Income	39,850	45,550	51,250	56,900	61,500	66,050	70,600	75,150
		Extremely Low- Income	15,400	17,600	21,960	26,500	31,040	35,580	40,120	44,660
Oklahoma City Metro Area	\$73,200	Very-Low Income								
(Canadian County, OK)			25,650	29,300	32,950	36,600	39,550	42,500	45,400	48,350
		Low Income	41,000	46,850	52,700	58,550	63,250	67,950	72,650	77,300
		Extremely Low- Income	12,880	17,420	21,960	26,500	31,040	34,400	36,800	39,150
Cherokee County, OK	\$56,600	Very-Low Income	20,800	23,750	26,700	29,650	32,050	34,400	36,800	39,150
		Low Income	33,250	38,000	42,750	47,450	51,250	55,050	58,850	62,650
		Extremely Low- Income	12,880	17,420	21,960	26,500	31,040	34,400	36,800	39,150
Craig County, OK	\$50,200	Very-Low Income	20,800	23,750	26,700	29,650	32,050	34,400	36,800	39,150

		Low Income	33,250	38,000	42,750	47,450	51,250	55,050	58,850	62,650
		Extremely Low- Income	15,150	17,420	21,960	26,500	31,040	35,580	40,120	44,660
Tulsa Metro Area (Creek County, OK)	\$74,200	Very-Low Income	25,200	28,800	32,400	36,000	38,900	41,800	44,650	47,550
		Low Income	40,350	46,100	51,850	57,600	62,250	66,850	71,450	76,050
		Extremely Low- Income	12,880	17,420	21,960	26,500	31,040	34,400	36,800	39,150
Delaware County, OK	\$52,400	Very-Low Income	20,800	23,750	26,700	29,650	32,050	34,400	36,800	39,150
		Low Income	33,250	38,000	42,750	47,450	51,250	55,050	58,850	62,650
		Extremely Low- Income	12,880	17,420	21,960	26,500	31,040	34,400	36,800	39,150
Enid Metro Area (Garfield	\$52,400	Very-Low Income		1	) 1 )	i i	) ) )	7	0	)  -  -  -
County, OK)		•	70,800	75,750	700/197	79,650	32,050	54,400	36,800	59,150
		Low Income	33,250	38,000	42,750	47,450	51,250	55,050	58,850	62,650
		Extremely Low- Income	12,880	17,420	21,960	26,500	31,040	34,400	36,800	39,150
Kay County, OK	\$59,300	Very-Low Income	20,800	23,750	26,700	29,650	32,050	34,400	36,800	39,150
		Low Income	33,250	38,000	42,750	47,450	51,250	55,050	58,850	62,650
		Extremely Low- Income	15,650	17,900	21,960	26,500	31,040	35,580	40,120	44,660
Kingfisher County, OK	\$74,500	Very-Low Income	26,100	29,800	33,550	37,250	40,250	43,250	46,200	49,200
		Low Income	41,750	47,700	53,650	29,600	64,400	031'69	73,950	78,700

		Extremely Low- Income	12,880	17,420	21,960	26,500	31,040	34,400	36,800	39,150
Le Flore County, OK	\$51,500	Very-Low Income	20,800	23,750	26,700	29,650	32,050	34,400	36,800	39,150
		Low Income	33,250	38,000	42,750	47,450	51,250	55,050	58,850	62,650
		Extremely Low- Income	15,400	17,600	21,960	26,500	31,040	35,580	40,120	44,660
Oklahoma City Metro Area (Logan	\$73,200	Very-Low Income								
County, OK)			25,650	29,300	32,950	36,600	39,550	42,500	45,400	48,350
		Low Income	41,000	46,850	52,700	58,550	63,250	67,950	72,650	77,300
		Extremely Low- Income	12,900	17,420	21,960	26,500	31,040	35,580	38,100	40,550
Mayes County, OK	\$61,400	Very-Low Income	21,500	24,600	27,650	30,700	33,200	35,650	38,100	40,550
		Low Income	34,400	39,300	44,200	49,100	53,050	27,000	006'09	64,850
		Extremely Low- Income	12,880	17,420	21,960	26,500	31,040	34,400	36,800	39,150
Muskogee County, OK	\$59,300	Very-Low Income	20,800	23,750	26,700	29,650	32,050	34,400	36,800	39,150
		Low Income	33,250	38,000	42,750	47,450	51,250	55,050	58,850	62,650
		Extremely Low- Income	14,350	17,420	21,960	26,500	31,040	35,580	40,120	44,660
Noble County, OK	\$68,200	Very-Low Income	23,900	27,300	30,700	34,100	36,850	39,600	42,300	45,050
		Low Income	38,200	43,650	49,100	54,550	58,950	63,300	67,650	72,050
		Extremely Low- Income	12,880	17,420	21,960	26,500	31,040	34,400	36,800	39,150

Nowata County, OK	\$53,900	Very-Low Income	20,800	23,750	26,700	29,650	32,050	34,400	36,800	39,150
		Low Income	33,250	38,000	42,750	47,450	51,250	55,050	58,850	62,650
		Extremely Low- Income	12,880	17,420	21,960	26,500	31,040	34,400	36,800	39,150
Okmulgee County, OK	\$54,900	Very-Low Income	20,800	23,750	26,700	29,650	32,050	34,400	36,800	39,150
<b>,</b>		Low Income	33,250	38,000	42,750	47,450	51,250	55,050	58,850	62,650
		Extremely Low- Income	15,150	17,420	21,960	26,500	31,040	35,580	40,120	44,660
Tulsa Metro Area (Creek County, OK)	\$74,200	Very-Low Income	25,200	28,800	32,400	36,000	38,900	41,800	44,650	47,550
•		Low Income	40,350	46,100	51,850	57,600	62,250	66,850	71,450	76,050
		Extremely Low- Income	12,880	17,420	21,960	26,500	31,040	34,400	36,800	39,150
Ottawa County, OK	\$49,900	Very-Low Income	20,800	23,750	26,700	29,620	32,050	34,400	36,800	39,150
		Low Income	33,250	38,000	42,750	47,450	51,250	55,050	58,850	62,650
		Extremely Low- Income	12,880	17,420	21,960	26,500	31,040	34,400	36,800	39,150
Pawnee County, OK	\$57,300	Very-Low Income	20,800	23,750	26,700	29,650	32,050	34,400	36,800	39,150
		Low Income	33,250	38,000	42,750	47,450	51,250	55,050	58,850	62,650
		Extremely Low- Income	13,750	17,420	21,960	26,500	31,040	35,580	40,120	43,100
Payne County, OK	\$71,100	Very-Low Income	22,900	26,150	29,400	32,650	35,300	37,900	40,500	43,100
		Low Income	36,550	41,800	47,000	52,200	26,400	009'09	64,750	68,950

		Extremely Low- Income	12,950	17,420	21,960	26,500	31,040	35,580	38,150	40,600
Pottawatomie County, OK	\$61,500	Very-Low Income	21,550	24,600	27,700	30,750	33,250	35,700	38,150	40,600
		Low Income	34,450	39,400	44,300	49,200	53,150	57,100	61,050	64,950
		Extremely Low- Income	15,150	17,420	21,960	26,500	31,040	35,580	40,120	44,660
Tulsa Metro Area (Rogers County, OK)	\$74,200	Very-Low Income	25.200	28.800	32.400	36.000	38.900	41.800	44.650	47.550
		Low Income	40,350	46,100	51,850	57,600	62,250	66,850	71,450	76,050
		Extremely Low- Income	12,880	17,420	21,960	26,500	29,350	31,500	33,700	35,850
Fort Smith, AK -OK Metro Area	\$54,300	Very-Low Income								
(Sequoyah County, OK)		,	19,050	21,750	24,450	27,150	29,350	31,500	33,700	35,850
		Low Income	30,450	34,800	39,150	43,450	46,950	50,450	53,900	57,400
		Extremely Low- Income	15,150	17,420	21,960	26,500	31,040	35,580	40,120	44,660
Tulsa Metro Area (Tulsa County, OK)	\$74,200	Very-Low Income	25,200	28,800	32,400	36,000	38,900	41,800	44,650	47,550
		Low Income	40,350	46,100	51,850	57,600	62,250	66,850	71,450	76,050
		Extremely Low- Income	15,150	17,420	21,960	26,500	31,040	35,580	40,120	44,660
Tulsa Metro Area	\$74,200	Very-Low Income	25,200	28,800	32,400	36,000	38,900	41,800	44,650	47,550

(Wagoner County, OK)										
		Low Income	40,350	46,100	51,850	40,350   46,100   51,850   <b>57,600</b>   62,250   66,850   71,450   76,050	62,250	66,850	71,450	76,050
		Extremely Low- Income	14,000	14,000   17,420	21,960	21,960 <b>26,500</b>	31,040	31,040 35,580	40,120   44,050	44,050
Washington County, OK	\$66,700	Very-Low Income	23,350	26,700	30,050	23,350 26,700 30,050 <b>33,350</b> 36,050 38,700 41,400 44,050	36,050	38,700	41,400	44,050
		Low Income	37,350	37,350   42,700   48,050	48,050	<b>53,350</b> 57,650	27,650	61,900   66,200   70,450	66,200	70,450
		Extremely Low- Income	16,850	16,850 19,250	21,960	21,960 <b>26,500</b> 31,040 35,580 40,120 44,660	31,040	35,580	40,120	44,660
Woods County, OK	\$78,500	Very-Low Income	28,050	32,050	36,050	28,050 32,050 36,050 <b>40,050</b> 43,300 46,500 49,700 52,900	43,300	46,500	49,700	52,900
		Low Income	44,900	51,300	57,700	44,900 51,300 57,700 <b>64,100</b> 69,250 74,400 79,500 84,650	69,250	74,400	79,500	84,650

Table 9: County Level Income Limits for 2019 CDBG-DR

Data Source: HUD Income Limit Documentation System<sup>2</sup>

percent) of the Section 8 very low-income limit or the poverty guideline as established by the Department of Health and Human Services (HHS), provided that this amount is not greater than the Section 8 50% very low-income limit. Consequently, the extremely low-income Note: The FY 2014 Consolidated Appropriations Act changed the definition of extremely low-income to be the greater of 30/50ths (60 limits may equal the very low (50%) income limits. Income Limit areas are based on FY 2020 Fair Market Rent (FMR) areas. For information on FMRs, please see our associated FY 2020 Fair Market Rent documentation system.

<sup>2</sup> https://www.huduser.gov/portal/datasets/il.html

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### SOCIAL VULNERABILITY INDEX

For more detailed information on population characteristics, please refer to Appendix F: Population Characteristics of the 27 eligible counties.

An additional component to consider when looking at unmet needs for impacted counties in Oklahoma is what level of social vulnerability to natural hazards they are experiencing. The Social Vulnerability Index (SoVI®) measures the social vulnerability of counties across the United States to their vulnerability to environmental hazards. This index, developed by the University of South Carolina's Hazards & Vulnerability Research Institute. utilizes twenty-nine (29) socioeconomic variables which contribute to reduction in a community's ability to prepare for, respond to, and recover from hazards. SoVI is a comparative metric that facilitates the examination of the differences in vulnerability among counties. It is a valuable tool because it graphically illustrates the geographic variation in social vulnerability, which in turn contributes greatly to response and recovery capabilities. SoVI shows where there is uneven capacity for disaster preparedness and response, and where resources might be used most effectively to reduce preexisting vulnerability. The data sources for the development of SoVI come primarily from the United States Census Bureau. The SoVI data combines the best available data from both the 2010 U.S. Decennial Census and five-year estimates from the American Community Survey (ACS). Additionally, the SoVI scores at the Census Tract level provides a more granular assessment of vulnerability within each county.

The SoVI details above are further explained by some of the characteristics at the individual level that affect vulnerability. One of these characteristics is that of Socioeconomic Status which affects the ability of a community to absorb losses and be resilient to hazard impacts. For example, of the 27 eligible counties, 24 of them can be considered mostly rural. Rural areas lack access to certain business types that can accelerate the recovery from disasters. This is due to the idea that wealth enables communities to absorb and recover from losses using insurance, social safety nets, and entitlement programs. Other factors used in SoVI relate to gender as well as race and ethnicity being that these factors impose language and cultural barriers and affect access to post-disaster funding. Additional factors used in SoVI are special-needs populations, social dependence (i.e., people who are totally dependent on social services for survival), education, family structure,

occupation, and other demographic characteristics that help to define social vulnerability for communities and individuals. The following table illustrates the twenty-nine (29) used in the calculation of the Social Vulnerability index.

VARIABLE	DESCRIPTION
QASIAN	Percent Asian
QBLACK	Percent Black
QSPANISH	Percent Hispanic
QINDIAN	Percent Native American
QAGEDEP	Percent Population under 5 years or 65 and over
QFAM	Percent Children Living in Married Couple Families
MEDAGE	Median Age
QSSBEN	Percent Households Receiving Social Security Benefits
QPOVTY	Percent Poverty
QRICH	Percent Households Earning over \$200,000 annually
PERCAP	Per Capita Income
QESL	Percent Speaking English as a Second Language with Limited
05514415	English Proficiency
QFEMALE	Percent Female
QFHH	Percent Female Headed Households
QNRRES	Nursing Home Residents Per Capita
HOSPTPC	Hospitals Per Capita (County Level ONLY)
QNOHLTH	Percent of population without health insurance (County Level ONLY)
QED12LES	Percent with Less than 12th Grade Education
QCVLUN	Percent Civilian Unemployment
PPUNIT	People per Unit
QRENTER	Percent Renters
MDHSEVAL	Median Housing Value
MDGRENT	Median Gross Rent
QMOHO	Percent Mobile Homes
QEXTRCT	Percent Employment in Extractive Industries
QSERV	Percent Employment in Service Industry
QFEMLBR	Percent Female Participation in Labor Force
QNOAUTO	Percent of Housing Units with No Car
QUNOCCHU	Percent Unoccupied Housing Units

Table 10: Social Vulnerability Index

### What Population Characteristics Affect Vulnerability?

- Socioeconomic Status (Income, Political Power, Prestige): Socioeconomic status affects the ability of a community to absorb losses and cope with hazard impacts. Wealth enables communities to better prepare for disasters through mitigation and absorb and recover from losses more quickly using insurance, social safety nets, and entitlement programs. Low status communities have little ability to absorb losses due to poverty and disadvantaged populations.
- Gender: Women often have a more difficult time during recovery than men because of sector-specific employment (e.g., personal services), lower wages, and family care responsibilities.
- Race and ethnicity: These factors impose language and cultural barriers and affect access to post-disaster funding and occupation of highhazard areas.
- Age: Extremes of age affect movement out of harm's way and require outside supervision and care. Parents lose time and money caring for children when day care facilities are affected; the elderly may have mobility constraints or medical and cognitive concerns increasing the burden of care before, during, and after the emergency.
- Employment loss: The potential loss of employment following a disaster increases the existing number of unemployed workers in a community. Such losses compound the impact of the hazard and leads to a slower recovery from the disaster. At an individual level, employment loss equates to a lower ability to pay for necessary goods and services, effectively lowering the ability to prepare and recovery from disasters.
- Residential property: Home value is an indicator of financial capacity. The value and quality of residential construction affect potential losses and recovery. Expensive homes are costly to replace, mobile homes are easily destroyed by water and winds. The viability of neighborhoods based on the number of unoccupied housing units also contributes to slower long-term recovery.
- Renters: People rent because they are transients, do not have the financial resources for home ownership, or do not want the responsibility of home ownership. They often lack access to information about financial aid during recovery and are not covered by current federal disaster recovery programs. In extreme cases, renters lack sufficient shelter options when lodging becomes uninhabitable or too costly to afford.
- Occupation: Some occupations, especially those characterized as primary extractive industries, may be severely affected by a hazard event. Primary sector jobs are impacted first during major disasters.

For example, self-employed fishermen suffer when their means of production is lost (boats), and they may not have the requisite capital to resume work in a timely fashion; therefore, they may seek alternative employment. The same is true of migrant workers engaged in agriculture. Low-skilled service jobs (housekeeping, childcare, and gardening) may suffer similarly as disposable income fades and the need for services declines.

- Family structure: Families with large numbers of dependents and/or single-parent households often have limited resources to outsource care for dependents and thus must juggle work responsibilities with care for family members. All these factors affect coping with and recovering from hazards.
- Education: Education is linked to socioeconomic status in that higher educational attainment affects lifetime earnings, and limited education constrains the ability to understand warning information and access recovery information.
- Medical Services and Access: Health care providers, including physicians and hospitals, are important post-event sources of relief. The lack of proximate medical services lengthens the time needed to obtain short-term relief and achieve longer-term recovery from disasters. Nursing homes represent an increase in socially vulnerable people as the resident populations are less able to independently cope with disasters. The availability of health insurance is another factor influencing social vulnerability.
- Social dependence: People who are totally dependent on social services (social security, food assistance) for survival are already economically and socially marginalized and require additional support in the postdisaster period.
- Special-needs population: Special needs populations (infirm, institutionalized, transient, homeless) are difficult to identify, let alone measure and monitor. Yet it is this segment of society that invariably is left out of recovery efforts, largely because of this invisibility in communities.

Effectively addressing social vulnerability decreases both human suffering and the economic loss related to providing social services and public assistance after a disaster. While a stand-alone component when compared to total unmet need and other factors like per capita unmet need, the SoVI contributes to the ultimate funding decision process by adding a layer that looks at the components involved closely with an individual's or community's effort to recover from a disaster event. SoVI is classified using standard

deviations. Social vulnerability scores that are greater than 1.5 standard deviations above the mean are considered the most socially vulnerable places, while scores below 1.5 standard deviations less than the mean are the least vulnerable places.

SoVI Categorical ratings range from: High (Top 20%), Medium High, Medium, Medium Low, and Low (Bottom 20%). The following counties were specifically identified under DR 4438.

Alfalfa	LOW
Canadian	LOW
Cherokee	MEDIUM HIGH
Craig	MEDIUM HIGH
Creek	MEDIUM LOW
Delaware	MEDIUM HIGH
Garfield	MEDIUM
Kay	MEDIUM HIGH
Kingfisher	MEDIUM LOW
Le Flore	MEDIUM
Logan	LOW
Mayes	MEDIUM
Muskogee	MEDIUM HIGH
Noble	MEDIUM LOW
Nowata	MEDIUM
Okmulgee	MEDIUM
Osage	MEDIUM
Ottawa	MEDIUM HIGH
Pawnee	MEDIUM
Payne	MEDIUM LOW
Pottawatomie	MEDIUM
Rogers	MEDIUM LOW
Sequoyah	MEDIUM HIGH
Tulsa	MEDIUM
Wagoner	MEDIUM LOW
Washington	MEDIUM
Woods	MEDIUM LOW

Table 11: SoVI Scores

The HUD-identified most impacted and distressed counties of Muskogee, Tulsa, and Sequoyah do share a moderate to moderately high social

vulnerability (SoVI) relationship. Eighty-eight percent of these counties rate at the "Medium" or higher category rating suggesting there is a strong social vulnerability correlation present.

The connection between physical hazards and populations that may have factors that reduce their ability to plan, cope during an event and recover after an event is directly related with housing. It is important to plan for housing in locations away from repeated risk factors such as flooding and aid during natural events like tornadoes. Assistance that may be needed includes transportation during an event to a shelter or safe place. Public shelters are often needed for those in apartments, mobile homes, or housing without private shelters. The elderly may have general mobility or cognitive issues that can mean additional assistance is needed for transportation or even design of facilities. Those that may be unemployed or underemployed, renters, minorities, persons in poverty and many other factors may lead to a great need for temporary housing if their housing or employment has been destroyed in an event. Many of these socially vulnerable people may not have insurance or family or other resources to assist them if they experience losses from an event. This analysis helps to raise awareness that while hazards exist for all the population within a county, some may need additional attention and focus to ensure their safety, health, and recovery.

## Vulnerable Population Analysis of the 27 Eligible Counties

### **DISABILITY CHARACTERISTICS**

ensuring such persons are adequately served during disaster recovery. During Survey I and II, ODOC did not Year S1810, the percentage of people reporting a disability in the 27 eligible counties ranges from 12.1% to as high as 23.5%. Persons with disabilities are considered a vulnerable population and ODOC is committed to Having a disability poses unique challenges for survivors of natural disasters. According to the 2019 ACS 5identify projects that support the recovery efforts of persons with disabilities. Below shows percentage of adequately served in the recovery process, ODOC will add additional points to an applicant's score if they identify specific unmet needs of persons with disabilities. To ensure vulnerable populations are still civilian noninstitutionalized persons with a disability for each affected county:

Geographic Area Name	Total civilian noninstitutionalized population	Total civilian noninstitutionalized population with a disability	Total civilian noninstitutionalized population percent with a disability	Margin of Error (MOE), total civilian noninstitutionalized population percent with a disability
Alfalfa County, Oklahoma	57/5	865	18.2	2.1
Canadian County, Oklahoma	197821	18391	13.3	2.0
Cherokee County, Oklahoma	78787	8824	18.3	Ľl
Craig County, Oklahoma	26521	3062	22.5	9.1
Creek County, Oklahoma	10625	6636	13.6	7.0
Delaware County, Oklahoma	45028	8886	23.5	1.2
Garfield County, Oklahoma	62/65	6906	15.2	6:0
Kay County, Oklahoma	1692+	3606	20.8	1.1

Kingfisher County, Oklahoma	15525	2202	14.2	1.7
Le Flore County, Oklahoma	48819	10856	22.2	6.0
Logan County, Oklahoma	46284	6902	14.9	1.2
Mayes County, Oklahoma	11907	9384	23.1	1.1
Muskogee County, Oklahoma	09/59	11812	81	0.8
Noble County, Oklahoma	11247	2018	6.71	2
Nowata County, Oklahoma	10156	1684	16.6	1.7
Okmulgee County, Oklahoma	38077	8130	21.4	6.0
Osage County, Oklahoma	45806	8299	18.1	6.0
Ottawa County, Oklahoma	96602	6330	20.4	0.7
Pawnee County, Oklahoma	16246	2600	91	
Payne County, Oklahoma	80350	8748	12.1	0.7
Pottawatomie County,	70235	12363		
Oklahoma			17.6	0.7
Rogers County, Oklahoma	90546	13484	14.9	0.5
Sequoyah County, Oklahoma	41268	2816	22.3	6.0
Tulsa County, Oklahoma	9251432	07898	13.5	0.3
Wagoner County, Oklahoma	29982	13342	71	0.7
Washington County,	51473	7932		
Oklahoma			15.4	0.7
Woods County, Oklahoma	8464	1430	16.9	2.5

Table 12: Disability Characteristics by County

Note: This condensed table does not break down the number of people experiencing specific disabilities for percentages by disability type (visual, hearing, physical, mental, etc.). For more information, please refer to ease of reading purposes. The 2019 ACS 5-Year S1810 complete table  $\underline{d}$ oes describe the numbers and Census.gov or contact ODOC for the complete dataset.

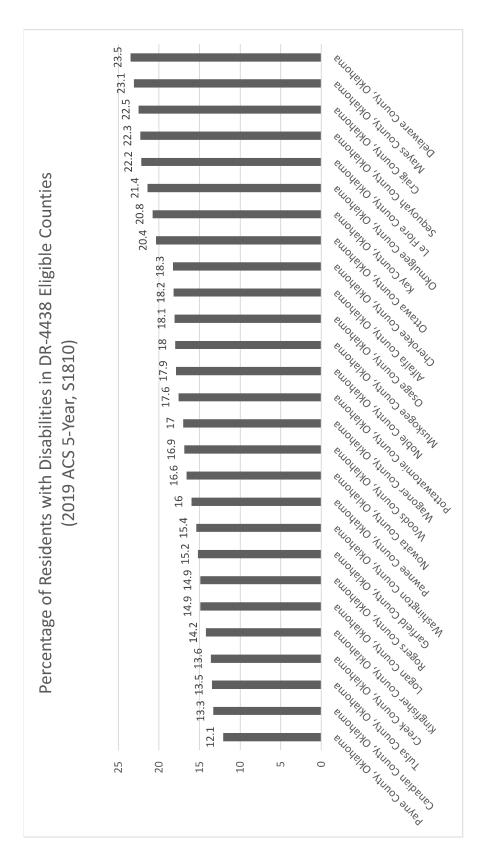


Figure 2: Percentage of Residents with Disabilities

### **HIV STATUS**

with disabilities, HIV/AIDS status, or homeless will receive additional points when CDBG-DR applications are Those with HIV are considered vulnerable for disasters. Activities for transitional housing to support those scored. These populations are a priority for ODOC. The following data comes from 2019 CDC Atlas<sup>3</sup>.

<sup>3</sup> https://gis.cdc.gov/grasp/nchhstpatlas/tables.html

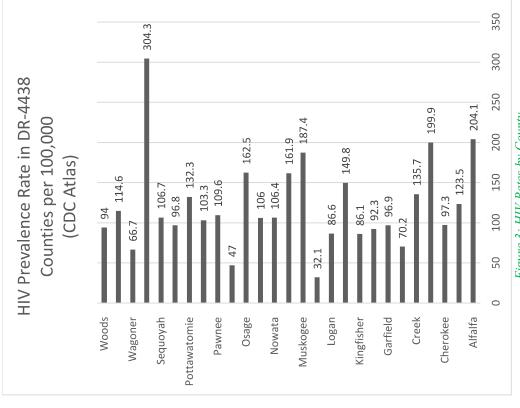


Figure 3: HIV Rates by County

### **Housing Needs Assessment**

The State analyzed FEMA-IA data for the Most Impacted and Distressed Areas (MID) to determine unmet housing needs. Unmet housing needs are those needs that are not covered by other sources of funding and can be covered by CDBG-DR funds (No interim housing needs were noted). A total of 5,407 dwelling structures in 27 counties were damaged from the storms that occurred from May 1, 2019, to June 9, 2019. This data was obtained from FEMA-IA in February of 2021.

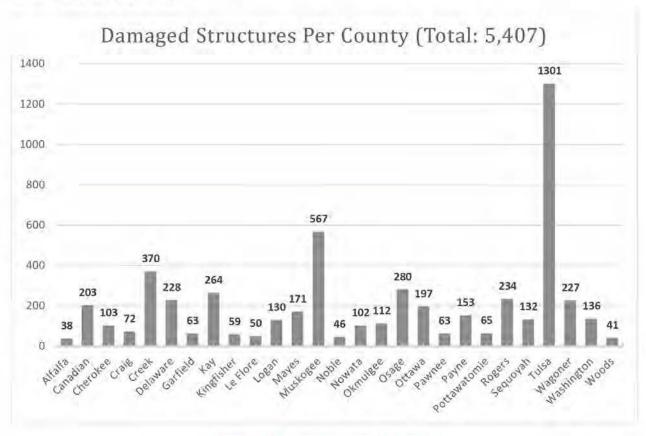


Figure 4: Damaged structures by County

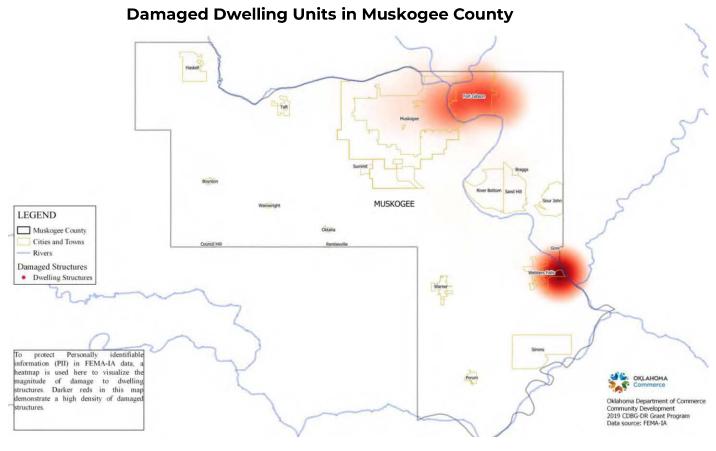
The type of damage varied across these dwelling structures. Documented damage types include foundation, roof, and flooding. It should be noted that flood damage can, and often does, cause damage to foundations. Flooded dwelling structures comprised the largest damage type (45%) at 2,435 structures with an average water depth at 18 inches (1.5 feet). Of all the structures that flooded, 82% of households did not have flood insurance.

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Based upon the review of available data, HUD concluded that the counties Muskogee, Sequoyah (Zip code 74946), and Tulsa are the Most Impacted and Distressed Areas (MID). The remaining 24 counties and the remainder of Sequoyah County will be considered the State's Most Impacted and Distressed Areas (MID). The other 24 counties and the remainder of Sequoyah County had considerable damage due to the disasters that occurred. Many cities and towns have reported homes that were severely flooded and have since been abandoned. Other communities reported serious infrastructure damage due to the disasters and was reported within the FEMA Public Assistance (PA) data. Data shows several needs including debris removal and public utility and roads/bridge repair for all 24 counties. All data and evidence showed that the remaining counties were all eligible to receive assistance and therefore should be considered part of the State's MID.

### MUSKOGEE COUNTY

Muskogee County is part of HUD's Most Impacted and Distressed Areas. A total of 567 dwelling structures were damaged. The red areas represent clusters of damaged structures. The darker the red, the more damaged structures were present.



Map 5: Damaged Residential Structures in Muskogee County

Of these 567 structures, 57% (327 structures) flooded with an average water depth of 34 inches (2.8 feet). Only 19% (62) of households had flood insurance.

Owner occupied housing comprised 70% of the damaged housing. Renter occupied housing comprised 30% of the damaged housing. Note: Apartments show "0" under the Owned column because none of the property owners lived in the apartment at the time of the disaster. This table is also available for the State identified Most Impacted and Distressed Areas (MID), please refer to the appendix to find this table.

Structure Type	Damaged Structure Count	Owned	Rented
Apartment	30	0	30
House/Duplex	293	232	52
Mobile Home	159	103	54
Other	76	47	28

Travel Trailer	9	8	1
Totals	567	390	165
Percentage	100%	<b>69</b> %	29%

Table 13: Muskogee County - Structure damage, owner and rental

The unmet needs for Muskogee County are significant. ODOC analyzed the most recent FEMA-IA dataset and summarized the data in the following table. In total, there are \$2,787,929.71 in unmet needs spread across the different dwelling types.

### SUBSTANTIAL AMENDMENT 2 UPDATE TO THIS SECTION

The initial CDBG-DR Action Plan evaluated unmet housing needs by analyzing the FEMA-IA dataset obtained through an FSA agreement between ODOC and FEMA. According to the State's analysis, 29% of the dwelling structures in Muskogee County were renter-occupied during the May-June 2019 disaster. ODOC attempted to augment the unmet housing needs analysis in the Action Plan by surveying impacted communities for additional data. Unfortunately, during the development of the initial Action Plan through Substantial Amendment 2, ODOC was unable to obtain data beyond the initial FEMA-IA dataset.

ODOC has proposed deleting the Multifamily Housing Rehabilitation activity for the following reasons:

- 1. No eligible community has informed ODOC that there is an unmet need for MFH housing.
- 2. No eligible applicant has applied for the Multifamily Housing Rehabilitation program.
- It is reasonable to assume that landlords have fixed their rental properties by this point either through insurance or some other means.

### Individual Assistance Data for Muskogee County

County/Residence Type	Count of Residence Type	Real Property FEMA Verified Loss	Sum of Insurance Settlement	Sum of Repair Assistance Amount	Sum of Replacement Assistance Amount	Sum of Unmet Need
Muskogee						
[A]Apartment	92	00'0\$	\$ 0.00	\$ 0.00	00'0 \$	*00.0\$
[B]House/Duplex	293	293   \$4,585,400.44	\$968,522.49	\$1,895,085.51	00'009'621\$	42,257,143.47
[C]Mobile Home	651	\$1,388,016.88	\$62,067.98	\$1,019,725.29	00'092'321\$	\$232,809.88
[D]Other	92	\$180.20	\$ 0.00	\$ 0.00	00.0 \$	\$180.20
[E]Travel Trailer	6	\$23,341.60	\$ 0.00	\$19,238.61	00.0 \$	\$4,102.99
Muskogee Total	295	\$5,996,939.12	\$5,996,939.12   \$1,033,590.47   \$2,934,049.41	\$2,934,049.41	\$274,960.00	\$274,960.00   \$2,494,236.54*

Table 14: Muskogee County - Individual Assistance

\* Rental Assistance (which includes mortgage assistance) is not calculated when determining unmet need according to FEMA-IA data because it does not address property damage. The Rental Assistance amount does not go towards rehabilitation expenses of damaged structures and is not noted in FEMA-IA data. Therefore, funds beyond the "Sum of Unmet Need" are necessary to ensure all residents affected in Muskogee County receive adequate disaster recovery assistance.

therefore received no financial assistance for repairs. Though it can be assumed that the property owner of deny this at this time. A better understanding of unmet need for Apartments will occur at the application It is important to note that row [A] for Apartment is \$0.00 because renters do not own the property and an apartment complex had insurance to recover from storm damages, ODOC has no data to confirm or phase of the disaster recovery program. The damage to rental stock is concerning since 30% of all damage in Muskogee County occurred for rental properties. ODOC has determined the best way to address the lack of rental stock in the county is to allow for rehabilitation or reconstruction.

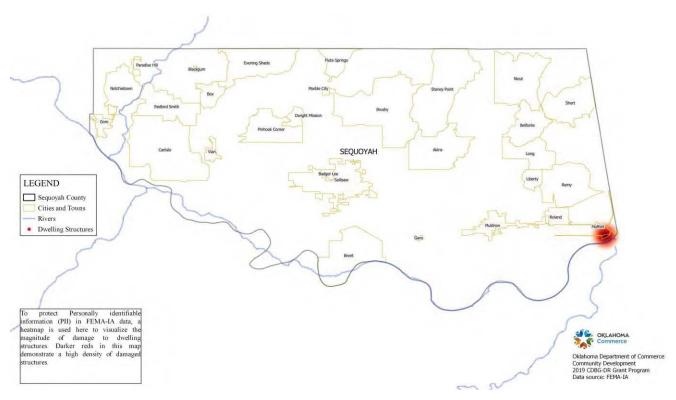
# DAMAGED DWELLING STRUCTURES WITHIN THE 100-YEAR (1%) FLOODPLAIN IN MUSKOGEE COUNTY

ODOC analyzed FEMA-IA damaged structures against FEMA NFHL (floodplain) to determine the number of damaged structures in the 1% floodplain. A 1% floodplain refers to those areas with a 1% annual chance of flooding and a 26% chance of flooding over the life of a 30-year mortgage. For Muskogee County, 250 damaged structures are in the 1% floodplain.

### **SEQUOYAH COUNTY**

Sequoyah County is part of HUD's Most Impacted and Distressed Areas. A total of 132 dwelling structures were damaged. The red areas represent clusters of damaged structures. The darker the red, the more damaged structures were present.

### DAMAGED DWELLING UNITS IN SEQUOYAH COUNTY



Map 6: Sequoyah County - Damaged residential structures

Of these 132 structures, 57% (76 structures) flooded with an average water depth of 53 inches (4.4 feet). Of all the structures that flooded, only one had flood insurance. Owner occupied housing comprised 59% of the damaged housing. Renter occupied housing comprised 39% of the damaged housing. Note: Apartments show "0" under the Owned column because none of the property owners lived in the apartment at the time of the disaster. This table is also available for the State identified Most Impacted and Distressed Areas (MID), please refer to the appendix to find this table.

	Damaged		
Structure	Structure		
Type	Count	Owned	Rented

Apartment	24	0	24
House/Duplex	62	48	12
Mobile Home	22	10	11
Other	22	19	3
Travel Trailer	2	1	1
Totals	132	78	51
Percentage	100%	59%	39%

Table 15: Sequoyah County - Residential damage, owner and rentals

The unmet needs for Sequoyah County are less than Muskogee County. ODOC analyzed the most recent FEMA-IA dataset and summarized the data in the following table. In total, there are \$134,233.85 in unmet needs spread across the different dwelling types.

### SUBSTANTIAL AMENDMENT 2 UPDATE TO THIS SECTION

The initial CDBG-DR Action Plan evaluated unmet housing needs by analyzing the FEMA-IA dataset obtained through an FSA agreement between ODOC and FEMA. According to the State's analysis, 39% of the dwelling structures in Sequoyah County were renter-occupied during the May-June 2019 disaster. ODOC attempted to augment the unmet housing needs analysis in the Action Plan by surveying impacted communities for additional data. Unfortunately, during the development of the initial Action Plan through Substantial Amendment 2, ODOC was unable to obtain data beyond the initial FFMA-IA dataset.

ODOC has proposed deleting the Multifamily Housing Rehabilitation activity for the following reasons:

- 1. No eligible community has informed ODOC that there is an unmet need for MFH housing.
- 2. No eligible applicant has applied for the Multifamily Housing Rehabilitation program.
- 3. It is reasonable to assume that landlords have fixed their rental properties by this point either through insurance or some other means.

### FEMA INDIVIDUAL ASSISTANCE DATA – SEQUOYAH COUNTY

County/Residence	Count of Residence	Real Property FEMA Verified	Sum of Insurance	Sum of Repair Assistance	Sum of Replacement Assistance	Sum of Unmet
Туре	Type	Loss	Settlement	Amount	Amount	Need
Sednoyah						
[A]Apartment	24	\$0.00	00'0\$	00'0\$	00'0\$	*00.0\$
[B]House/Duplex	62	\$545,623.85	00'0\$	\$492,759.77	00'0\$	\$54,018.16
[C]Mobile Home	22	\$123,922.62	\$0.00	\$42,616.81	\$0.00	\$81,305.81
[D]Other	22	\$9,667.50	00'0\$	\$9,667.50	00'0\$	\$0.00
[E]Travel Trailer	2	\$63.96	00'0\$	00'0\$	00'0\$	\$63.96
Sequoyah Total	132	\$679,277.93	00'0\$	<b>\$2</b> 45,044.08	00'0\$	\$135,387.93*

Table 16: Sequoyah County - Individual Assistance

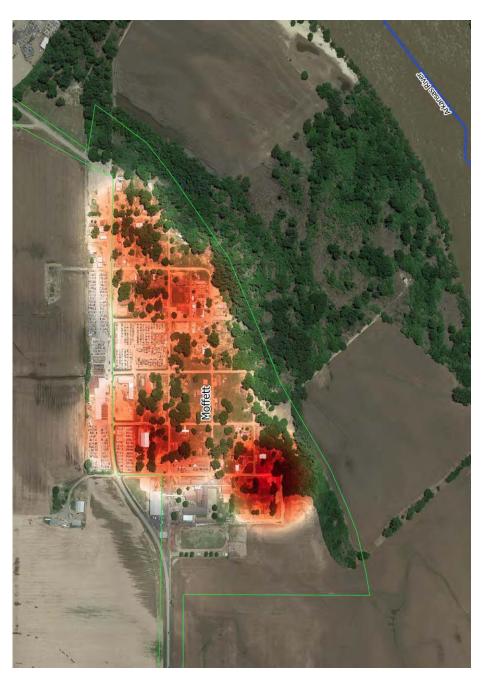
\* Rental Assistance (which includes mortgage assistance) is not calculated when determining unmet need according to FEMA-IA data because it does not address property damage. The Rental Assistance amount does not go towards rehabilitation expenses of damaged structures and is not noted in FEMA-IA data. Therefore, funds beyond the "Sum of Unmet Need" are necessary to ensure all residents affected in Sequoyah County receive adequate disaster recovery assistance.

apartment complex had insurance to recover from storm damages, ODOC has no data to confirm or deny It is important to note that row [A] for Apartment is blank because renters do not own the property and therefore received no financial assistance. Though it can be assumed that the property owner of an this at this time. Additionally, since apartments are a larger proportion of the damage type, ODOC anticipates the actual Unmet Need to be higher.

for rehab (or reconstruction for those structures completely destroyed) on a one-to-one replacement basis. properties. ODOC has determined the best way to address the lack of rental stock in the county is to allow The damage to rental stock is concerning since 39% of all damage in Sequoyah County occurred for rental

Sequoyah County. The image below details where the damaged structures are located within the Town of The Town of Moffett, Oklahoma, represented the majority of damaged dwelling structures (Total of 83) in Moffett.

### DAMAGED DWELLING UNITS IN SEQUOYAH COUNTY



Map 7: Damaged residential structures in Moffett, OK

The red areas represent clusters of damaged structures. The darker the red, the more damaged structures that were present.

continue to live in damaged structures which pose significant health concerns. As mentioned elsewhere in this Action Plan, the State is proposing a voluntary buyout program for residential units in the 100-year (1%) Many of these structures have been demolished and are now empty lots. There are some households that floodplain and the Disaster Risk Reduction Area (DRRA).

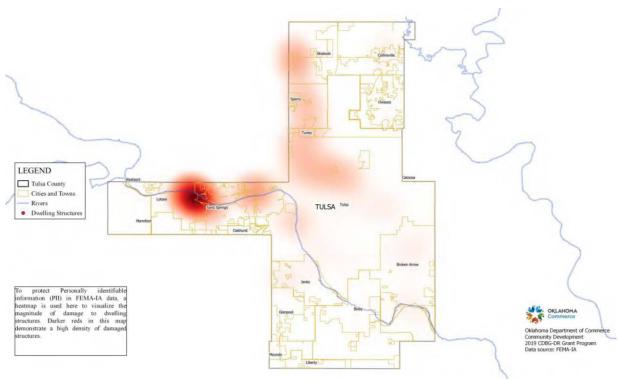
### DAMAGED DWELLING STRUCTURES WITHIN THE 100-YEAR (1%) FLOODPLAIN IN SEQUOYAH COUNTY

ODOC analyzed FEMA-IA damaged structures against FEMA NFHL (floodplain) to determine the number of damaged structures in the 1% floodplain. A 1% floodplain refers to those areas with a 1% annual chance of flooding and a 26% chance of flooding over the life of a 30-year mortgage. For Sequoyah County, 90 damaged structures (or 68% of all damaged structures in the county) are in the 1% floodplain.

### **TULSA COUNTY**

Tulsa County is part of HUD's Most Impacted and Distressed Areas. A total of 1,301 dwelling structures were damaged. The red areas represent clusters of damaged structures. The darker the red, the more damaged structures were present.

### DAMAGED DWELLING UNITS IN TULSA COUNTY



Map 8: Tulsa County - Damaged residential structures

Of these 1,301 structures, 48% (Total of 634) flooded with an average water depth of 18.6 inches (1.5 feet). Of all the structures that flooded, 69% did not have flood insurance.

Owner occupied housing comprised 71% of the damaged housing. Renter occupied housing comprised 28% of the damaged housing. Note: Apartments show "0" under the Owned column because none of the property owners lived in the apartment at the time of the disaster. This table is also available for the State identified Most Impacted and Distressed Areas (MID), please refer to the appendix to find this table.

Structure Type	Damaged Structure Count	Owned	Rented
Apartment	59	0	59
House/Duplex	968	743	211
Mobile Home	146	106	38
Other	111	55	55
Travel Trailer	17	15	2
Totals	1301	919	365
Percentage	100%	71%	28%

Table 17: Tulsa County - Damaged structures, owner and renter

The unmet needs for Tulsa County are significant. ODOC analyzed the most recent FEMA-IA dataset and summarized the data in the following table. In total, there are \$2,997,260.80 in unmet needs spread across the different dwelling types.

### SUBSTANTIAL AMENDMENT 2 UPDATE TO THIS SECTION

The initial CDBG-DR Action Plan evaluated unmet housing needs by analyzing the FEMA-IA dataset obtained through an FSA agreement between ODOC and FEMA. According to the State's analysis, 28% of the dwelling structures in Tulsa County were renter-occupied during the May-June 2019 disaster. ODOC attempted to augment the unmet housing needs analysis in the Action Plan by surveying impacted communities for additional data. Unfortunately, during the development of the initial Action Plan through Substantial Amendment 2, ODOC was unable to obtain data beyond the initial FFMA-IA dataset.

ODOC has proposed deleting the Multifamily Housing Rehabilitation activity for the following reasons:

- 1. No eligible community has informed ODOC that there is an unmet need for MFH housing.
- 2. No eligible applicant has applied for the Multifamily Housing Rehabilitation program.
- 3. It is reasonable to assume that landlords have fixed their rental properties by this point either through insurance or some other means.

### FEMA Individual Assistance Data - Tulsa County

County/Residence Type	Count of Residence Type	Real Property FEMA Verified Loss	Sum of Insurance Settlement	Sum of Repair Assistance Amount	Sum of Replacement Assistance Amount	Sum of Unmet Need
Tulsa						
[A]Apartment	65	00'0\$	\$0.00	\$0.00	\$0.00	*00.0\$
[B]Condo	3	01.286\$	\$0.00	\$0.00	\$0.00	\$983.10
[C]House/Duplex	896		\$5,364,792.31   \$3,442,260.43	\$2,711,416.96	\$0.00	\$2,113,338.84
[D]Mobile Home	146	\$755,828.69	\$120,612.89	\$420,901.11	\$0.00	\$287,641.43
[E]Other	103	00.0\$	\$0.00	\$0.00	\$0.00	\$0.00
[F]Townhouse	5	00'0\$	\$0.00	\$0.00	\$0.00	\$0.00
[G]Travel Trailer	71	\$27,464.74	\$0.00	\$19,489.97	\$0.00	\$7,974.77
Tulsa Total	1301	1301 \$6,149,068.84	49,068.84   \$3,562,873.32   \$3,151,808.04	\$3,151,808.04	\$0.00	*51,409,938.14*

Table 18: Tulsa County - Individual Assistance

\* Rental Assistance (which includes mortgage assistance) is not calculated when determining unmet need according to FEMA-IA data because it does not address property damage. The Rental Assistance amount Therefore, funds beyond the "Sum of Unmet Need" are necessary to ensure all residents affected in Tulsa does not go towards rehabilitation expenses of damaged structures and is noted in FEMA-IA data. County receive adequate disaster recovery assistance.

apartment complex had insurance to recover from storm damages, ODOC has no data to confirm or deny It is important to note that row [A] for Apartment is blank because renters do not own the property and therefore received no financial assistance. Though it can be assumed that the property owner of an this at this time.

properties. ODOC has determined the best way to address the lack of rental stock in the county is to allow The damage to rental stock is concerning since 28% of all damage in Tulsa County occurred for rental for rehab (or reconstruction for those structures destroyed) on a one-to-one replacement basis.

## DAMAGED DWELLING STRUCTURES WITHIN THE 100-YEAR (1%) FLOODPLAIN IN TULSA COUNTY

ODOC analyzed FEMA-IA damaged structures against FEMA NFHL (floodplain) to determine the number of flooding and a 26% chance of flooding over the life of a 30-year mortgage. For Tulsa County, 385 damaged damaged structures in the 1% floodplain. A 1% floodplain refers to those areas with a 1% annual chance of structures are in the 1% floodplain.

## FEMA Individual Assistance Data for all 27 Eligible Counties

The following chart summarizes property damage in the 27 eligible counties. This chart was created from FEMA-IA data obtained through an FSA between ODOC and FEMA. The definitions for the terms used in the table are noted below:

- (A) **County:** Only the 27 eligible counties are included in this table. Those counties include Alfalfa, Muskogee, Noble, Nowata, Okmulgee, Osage, Ottawa, Pawnee, Payne, Pottawatomie, Rogers, Canadian, Cherokee, Craig, Creek, Delaware, Garfield, Kay, Kingfisher, Le Flore, Logan, Mayes, Sequoyah, Tulsa, Wagoner, Washington, and Woods.
- (B) Residence Type: Structures with the primary purpose of being a place for dwelling. Note: Not every eligible county has every possible residence type. Counties that do not have residences, such as condos, will not be listed.
- (C) County of Residence Type: The occurrence of damaged residential structures within each eligible

- (D) Real Property FEMA Verified Loss: When someone registers for FEMA assistance after a disaster, FEMA is required to verify losses to determine eligibility for disaster assistance. FEMA's standard method to verify a loss due to disaster damage and to determine initial eligibility is an onsite inspection by a FEMA inspector. Home damage must be disaster related.
- (E) Sum of Insurance Settlement: The sum of all insurance payouts in a particular county.
- (F) Sum of Repair Assistance Amount: The sum of FEMA repair assistance in a particular county.
- (G) **Sum of Replacement Assistance Amount:** The sum of FEMA replacement assistance in a particular county.
- (H)Sum of Unmet Need: Is the value minus "Sum of Total FEMA Verified Loss", minus "Sum of Insurance Settlement", minus "Sum of Repair Assistance Amount", minus "Sum of Replacement Assistance Amount", and minus "Sum of SBA Received Amount"

Note 2: Not every county reported damage to every possible housing type. Note 1: The source of this data is from FEMA-IA.

County/Residence Type	Count of Damaged Residence Type	Sum of Total FEMA Verified Loss	Sum of Insurance Settlement	Sum of Repair Assistance Amount	Sum of Replacement Assistance Amount	Sum of SBA Received Amount	Sum of Unmet Need
Alfalfa	38	\$ 62,965.39		\$ 46,565.95		-\$	<b>*************************************</b>
House/Duplex	29	\$ 46,476.01		\$ 31,588.77		-\$	\$ 14,887.24
Mobile Home	4	\$ 16,489.38		\$ 14,977.18		-\$	\$ 1,512.20
Other	4	- ₩				<del>- \$</del>	-\$
Townhouse	-	- \$				\$	<del>-</del> \$
Canadian	203	\$ 819,986.22	\$ 171,222.86	\$ 184,322.83	\$ 202,800.00	- \$	\$ 382,498.71
Apartment	3	\$ 1,424.61				-\$	\$ 1,424.61
House/Duplex	122	\$ 291,058.72	\$ 89,722.86	\$ 156,865.44		\$	\$ 134,507.87
Mobile Home	65	\$ 527,325.41	\$ 81,500.00	\$ 27,457.39	\$ 202,800.00	\$	\$ 246,388.75
Other	71	- \$				\$	\$
Townhouse	-	- \$				-\$	-\$
Travel Trailer	_	\$177.48				-\$	\$177.48
Cherokee	103	\$ 152,311.32	\$ 307,221.90	\$ 56,409.61		-\$	\$ 90,875.79
House/Duplex	09	\$ 30,633.62	\$ 307,221.90	\$ 18,521.75		-\$	\$ 7,085.95
Mobile Home	28	\$ 111,070.73		\$ 37,887.86		-\$	\$ 73,182.87
Other	П	- \$				-\$	-\$
Travel Trailer	4	\$ 10,606.97				- \$	\$ 10,606.97
Craig	72	\$ 146,885.95	\$ 127,733.70	\$ 20,408.21		-\$	\$ 95,419.92
Apartment		₩ '				\$	-\$
House/Duplex	26	\$ 133,810.38	\$ 124,443.10	\$ 19,207.56		\$	\$ 85,220.10
Mobile Home	6	\$ 13,054.13	\$ 3,290.60	\$ 1,200.65		- \$	\$10,178.38
Other	5	\$				-\$	-\$
Travel Trailer	L	\$ 21.44				-\$	\$ 21.44
Creek	370	\$ 192,973.32	\$ 174,960.71	\$ 93,015.43		-\$	\$ 98,624.36
Apartment	2	- \$				-\$	- \$
House/Duplex	306	\$ 109,242.19	\$ 174,960.71	\$ 51,428.31		-\$	\$ 56,480.35
Mobile Home	31	\$ 82,798.26		\$ 41,587.12		-\$	\$41,211.14
Other	25	16.511 \$				- \$	19.511 \$
Townhouse	1	- \$				-\$	-\$
Travel Trailer	5	\$ 818.96				- \$	\$ 818.96
Delaware	228	\$ 683,941.30	\$ 85,437.46	\$ 76,321.16	\$ 110,048.57	-\$	\$ 446,262.58
House/Duplex	124	\$ 412,050.93	\$ 5,134.92	\$ 29,864.23		-\$	\$ 380,973.27
Mobile Home	77	\$ 247,883.05	\$ 80,302.54	\$ 45,058.29	\$ 90,460.00	-\$	\$ 62,269.20
Other	20	\$ 87.53				-\$	\$ 87.53
Townhouse	ال	- \$				- \$	-\$
Travel Trailer	9	\$ 23,919.79		\$ 1,398.64	\$ 19,588.57	- \$	\$ 2,932.58

County/Residence Type	Count of Damaged Residence Type	Sum of Total FEMA Verified Loss	Sum of Insurance Settlement	Sum of Repair Assistance Amount	Sum of Replacement Assistance Amount	Sum of SBA Received Amount	Sum of Unmet Need
Kay	264	\$ 224,217.69	\$ 40,568.07	\$ 117,197.27		- \$	\$ 110,158.28
Apartment	_	- \$				-\$	- <del>\$</del>
Condo	L	- \$				-\$	- <del>S</del>
House/Duplex	216	\$ 200,890.13	\$ 40,568.07	\$ 107,498.99		-\$	\$ 96,529.00
Mobile Home	71	\$ 22,364.28		\$ 9,698.28		₩	\$12,666.00
Other	30	\$ 963.28				-\$	\$ 963.28
Townhouse	_	- \$				-\$	-\$
Travel Trailer	-	- \$				-\$	-\$
Kingfisher	65	\$ 174,870.68		\$ 53,480.27		-\$	\$ 121,564.37
House/Duplex	67	\$ 162,169.20		\$ 50,494.66		-\$	\$ 111,848.50
Mobile Home	6	\$ 12,701.48		\$ 2,985.61		\$	\$ 9,715.87
Other	-	- \$				-\$	-\$
Le Flore	05	\$ 85,161.19		\$ 24,500.83		-\$	\$ 60,660.36
House/Duplex	30	\$ 22,035.87		\$ 7,437.51		-\$	\$ 14,598.36
Mobile Home	F	\$ 63,125.32		\$ 17,063.32		₩.	\$ 46,062.00
Other	7	- \$				₩.	-\$
Travel Trailer	2	-\$				-\$	-\$
Logan	130	\$ 719,424.51	-\$	\$ 94,221.94	\$ 104,600.00	-\$	\$ 530,186.97
Apartment	Ĺ	- \$				-\$	-\$
House/Duplex	06	\$ 668,567.89	- \$	\$ 88,437.16	\$ 69,800.00	- \$	\$ 519,915.13
Mobile Home	28	\$ 50,260.54		\$ 5,784.78	\$ 34,800.00	-\$	\$ 9,675.76
Other	8	-\$				-\$	-\$
Travel Trailer	3	\$ 596.08				- \$	\$ 596.08
Mayes	121	\$ 544,651.51	\$ 139,324.85	\$ 264,996.01	\$ 33,640.00	-\$	\$ 197,529.88
House/Duplex	96	\$ 244,382.53	\$ 19,339.88	\$ 122,022.89		-\$	\$ 119,582.82
Mobile Home	53	\$ 299,227.66	\$ 119,984.97	\$ 142,294.04	\$ 33,640.00	-\$	\$77,584.82
Other	ΙL	-\$				-\$	- \$
Travel Trailer	ιι	\$ 1,041.32		\$ 679.08		-\$	\$ 362.24
Muskogee	567	\$ 7,245,119.08	\$ 1,033,590.47	\$ 2,934,049.41	\$ 274,960.00	-\$	\$ 3,710,950.53
Apartment	30	\$ 96,386.10				\$	\$ 96,386.10
House/Duplex	293	\$ 5,344,026.81	\$ 968,522.49	\$ 1,895,085.51	\$ 139,600.00		\$ 2,994,776.44
Mobile Home	159	\$ 1,772,651.65	\$ 65,067.98	\$ 1,019,725.29	\$ 135,360.00		\$ 606,972.08
Other	9/	\$ 1,432.00				- \$	\$ 1,432.00
Travel Trailer	6	\$ 30,622.52		\$ 19,238.61		\$	\$ 11,383.91
Noble	46	\$ 226,795.91	\$ 2,468.77	\$ 29,371.22		-\$	\$ 197,002.94
House/Duplex	33	\$ 219,010.04		\$ 27,837.14		\$	\$ 191,172.90

County/Residence Type	Count of Damaged Residence Type	Sum of Total FEMA Verified Loss	Sum of Insurance Settlement	Sum of Repair Assistance Amount	Sum of Replacement Assistance Amount	Sum of SBA Received Amount	Sum of Unmet Need
Mobile Home	7	\$ 7,785.87	\$ 2,468.77	\$ 1,534.08		<del>'</del>	\$ 5,830.04
Other	9	- \$				-\$	-\$
Nowata	102	\$ 218,246.15		\$ 112,483.60		-\$	\$ 112,639.90
Condo	L	\$ 743.46				-\$	\$ 743.46
House/Duplex	62	\$ 201,355.03		\$ 92,646.42		- \$	\$ 108,708.61
Mobile Home	6	\$ 15,585.43		\$19,837.18		\$	\$ 2,625.60
Other	П	- \$				<del>•</del>	-\$
Travel Trailer	2	\$ 562.23				- \$	\$ 562.23
Okmulgee	112	\$ 75,243.25	\$ 7,867.81	\$ 43,231.73		-\$	\$ 31,510.69
Apartment	-	\$ 437.55				\$	\$ 437.55
House/Duplex	88	\$ 58,731.21	\$ 3,917.81	\$ 31,988.83		- \$	\$ 26,570.87
Mobile Home	20	\$ 16,074.49	\$ 3,950.00	\$ 11,242.90		\$	\$ 4,502.27
Other	3	- \$				\$	- \$
Osage	280	\$ 1,280,287.27	\$ 279,949.91	\$ 743,162.55		- \$	\$ 431,313.11
Apartment	_	\$ 639.91				- 5	16:629 \$
House/Duplex	961	\$ 982,663.35	\$ 279,949.91	\$ 555,489.09		-\$	\$ 321,362.65
Mobile Home	59	\$ 274,293.24		\$ 175,510.66		-\$	\$ 98,782.58
Other	75	- \$				\$	-\$
Travel Trailer	0	\$ 22,690.77		\$ 12,162.80		\$	\$ 10,527.97
Ottawa	197	\$ 637,978.67	\$ 343,284.48	\$ 128,603.19		-\$	\$ 448,060.26
Apartment	ΙL	\$ 31,244.59				\$	\$ 31,244.59
House/Duplex	132	\$ 455,565.62	\$ 342,401.25	\$ 81,218.34		-\$	\$ 313,426.93
Mobile Home	21	\$136,562.48	\$ 883.23	\$ 47,384.85		- \$	\$ 88,782.76
Other	26	- \$				-\$	-\$
Townhouse	l	- \$				- \$	- \$
Travel Trailer	9	\$ 14,605.98				\$	\$14,605.98
Pawnee	63	\$ 168,633.05		\$ 75,715.46		- \$	\$ 92,917.59
House/Duplex	36	\$ 83,578.26		\$ 39,721.11		-\$	\$ 43,857.15
Mobile Home	21	\$ 85,054.79		\$ 35,994.35		-\$	\$ 49,060
Other	4	- \$				\$	- \$
Travel Trailer	2	- \$				- \$	-\$
Payne	153	\$ 203,801.84	\$ 139,164.83	\$ 83,069.87		- \$	\$ 89,774.19
Apartment	9	- \$				- \$	- \$
House/Duplex	3118	\$ 188,556.97	\$ 139,164.83	\$ 81,106.49		- \$	\$ 76,492.70
Mobile Home	71	\$ 15,244.87		\$ 1,963.38		\$	\$ 13,281.49
Other	71	- \$				\$	-\$
Travel Trailer	1	- \$				\$	- \$

County/Residence Type	Count of Damaged Residence Type	Sum of Total FEMA Verified Loss	Sum of Insurance Settlement	Sum of Repair Assistance Amount	Sum of Replacement Assistance Amount	Sum of SBA Received Amount	Sum of Unmet Need
Pottawatomie	59	\$ 20,378.87	\$ 30,452.29	\$ 10,609.25		-\$	\$ 12,167.62
Apartment	L	- \$				-\$	-\$
House/Duplex	33	\$ 7,500.35	\$ 14,065.40	\$ 1,650.07		- \$	\$ 4,997.28
Mobile Home	77	\$ 12,878.52	\$ 16,386.89	\$ 8,959.18		-\$	\$ 7,170.34
Other	<i>L</i>	- \$				-\$	- \$
Rogers	234	\$ 1,187,924.60	\$ 154,949.49	\$ 471,171.51	\$ 34,900.00	- \$	\$ 618,437.48
House/Duplex	159	\$ 928,260.49	\$ 24,184.49	\$ 348,824.02	\$ 34,900.00	-\$	\$ 523,521.90
Mobile Home	15	\$ 252,316.10	\$ 130,765.00	\$ 122,347.49		\$	\$ 87,567.57
Other	22	- ₩				\$	+ ↔
Travel Trailer	2	\$ 7,348.01				-\$	\$ 7,348.01
Sequoyah	132	\$ 996,457.99		\$ 545,044.08		-\$	\$ 451,413.91
Apartment	24	\$ 87,742.27				- \$	\$ 87,742.27
House/Duplex	79	\$ 721,208.32		\$ 492,759.77		-\$	\$ 228,448.55
Mobile Home	22	\$ 172,935.04		\$ 42,616.81		-\$	\$ 130,318.23
Other	22	\$ 14,508.40		\$ 9,667.50		-\$	\$ 4,840.90
Travel Trailer	2	\$ 63.96				- \$	\$ 63.96
Tulsa	1301	\$ 7,589,365.31	\$ 3,562,873.32	\$ 3,151,808.04		\$ -	\$ 3,741,107.88
Apartment	59	\$ 4,509.96				-\$	\$ 4,509.96
Condo	2	\$ 2,541.63				-\$	\$ 2,541.63
House/Duplex	896	\$ 6,519,501.96	\$ 3,442,260.43	\$ 2,711,416.96		- \$	\$ 3,162,594.36
Mobile Home	146	\$ 1,023,136.71	\$ 120,612.89	\$ 420,901.11		- \$	\$ 551,276.85
Other	103	\$ 2,933.35				-\$	\$ 2,933.35
Townhouse	5	· <del>•</del>				-\$	- \$
Travel Trailer	71	\$ 36,741.70		\$ 19,489.97		- \$	\$ 17,251.73
Wagoner	227	\$ 1,547,025.19	\$ 848,761.71	\$ 592,936.83	\$ 33,840.00	\$ -	\$ 792,499.22
House/Duplex	156	\$ 1,111,213.94	\$ 674,885.71	\$ 413,454.43		- \$	\$ 624,394.14
Mobile Home	75	\$ 424,960.12	\$ 173,876.00	\$ 177,137.02	\$ 33,840.00	-\$	\$ 159,599.33
Other	OL	· \$				\$	+\$
Townhouse	L	- \$				- \$	- \$
Travel Trailer	9	\$ 10,851.13		\$ 2,345.38		\$ -	\$ 8,505.75
Washington	136	\$ 703,957.23	\$ 419,732.09	\$ 118,163.26		- \$	\$ 417,565.87
Apartment	_	\$ 2,348.39				<del>-</del> \$	\$ 2,348.39
House/Duplex	102	\$ 639,469.83	\$ 408,259.09	\$ 99,731.79		\$	\$ 382,982.94
Mobile Home	20	\$ 59,510.55	\$ 11,473.00	\$ 18,431.47		-\$	\$ 29,606.08
Other	6	\$ 894.08				-\$	\$ 894.08
Travel Trailer	4	\$ 1,734.38				\$	\$1,734.38

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\$ 5.00 \$ 12.00 \$ 13,313,001.58 \$ 15,459.73 \$ 15,459.73 \$ 142.00 \$3,672.00 \$ 950.00 \$ 469.00 \$ 94.00 Sum of Unmet Need \$ 12.00 \$ \$ 5.00 \$3,672.00 ₩. \$ \$ 142.00 \$ 950.00 \$ 94.00 \$ 469.00 Sum of SBA Received Amount \$ 1.00 \$ 7.00 \$ 794,788.57 \$ 17.00 Sum of Replacement Assistance Amount **\$7,869,564.72 \$10,102,263.91** Table 19: County structure damage, Verifted loss, and unmet needs \$ 1.00 \$ 14.00 \$ 31,404.40 \$ 31,404.40 \$844.00 \$ 249.00 Sum of Repair Assistance Amount \$ 25.00 \$ 127.00 Sum of Insurance Settlement \$ 12.00 \$ 94.00 \$ 25,952,612.58 \$ 142.00 \$ 5.00 \$ 44,009.09 \$ 44,009.09 \$ 950.00 \$ 3,672.00 \$ 469.00 Sum of Total FEMA Verified Loss Count of Damaged Residence Type 39 2 142 950 3672 94 12 County/Residence Type Condo Count House/Duplex House/Duplex Count Travel Trailer Count Mobile Home Other Apartment Count Other Count Townhouse **Grand Total** Woods Count Count





State of Oklahoma

Emergency Solutions Grant ESG

2024 Annual Action Plan



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#### **Timetable**

The Oklahoma Department of Commerce will make available to Units of General Local Government and Non-Profit organizations all Emergency Solutions Grant Program funds within 60 days of the date the State receives its grant award notice from the U.S. Department of Housing and Urban Development (HUD).

Date	Description
March 28, 2024, 10:00 am	Mandatory Application Workshop
April 1, 2024	COC Documentation of any changes that have been made regarding ESG additional requirements to the grant amounts, additional requirements, etc.
April 1 – May 31, 2024	Applications entered into OKGrants
April 30, 2024	CoC Lead Agency Submits copy of PIT Count Data HDX Report to ODOC
May 17, 2024	CoC Lead Agency Submits Reviewer Volunteers
May 31, 2024, 5:00 pm	Final application must be submitted into OKGrants
June 4, 2024	Application Reviewer Training Webinar
June – July, 2024	Continua score, rank and recommend
July 31, 2024	CoC Lead Agency Submits updated CoC Governance Charter and Policies
August – September, 2024	ODOC verifies eligibility of potential subrecipients
Second Week of September, 2024	Approximate Date for Award Notification to ESG subrecipients
September 27, 2024	CoC Lead Agency Submits copy of most current Consolidated Application showing name of Lead Agency or member agency who submitted application
October 1, 2024	ESG 2024 Contract Start Date
<b>September 30, 2025</b>	ESG 2024 Contract End Date - all funds must be expended by this date
November 30, 2025	ESG 2024 Closeout Documentation and Annual Report Due to ODOC

# **FY 2024 Emergency Solutions Grant Request for Application**

#### **Background**

The original Homeless Assistance Grants were originally established by the Homeless Housing Act of 1986, in response to the growing issue of homelessness among men, women, and children in the United States. In 1987, the Emergency Shelter Grant Program was incorporated into subtitle B of title IV of the Stewart B. McKinney-Vento Homeless Assistance Act (42 U.S.C. 11371-11378). In May 2009, the Homeless Emergency Assistance and Rapid Transition to Housing (HEARTH) Act was signed establishing the newly reauthorized and updated Emergency Solutions Grant Program. This program is still the first step in a continuum of homeless assistance operated by HUD. Since its inception and incorporation into the McKinney-Vento Act, the ESG Program has helped States and localities provide facilities and services to meet the needs of homeless people.

## **Purpose**

Strategies outlined by the Governor's Interagency Council on Homelessness'(GICH) updated five-year Plan supported by the Oklahoma Department of Commerce/ Community Development (ODOC/CD) continue to advance and energize the state's efforts to identify and combat the issues that result in homelessness. To that end ODOC/CD continues to lead the efforts for the preparation of the Consolidated Plan, devoted to the organization of federal resources to identify, strategize and implement effective ways

to relieve the burden of low-income and in many cases homeless individuals and families. The Emergency Solutions Grant (ESG) Program is a component of the state's efforts to alleviate homelessness in Oklahoma. When used in conjunction with other local resources, the ESG program provides the foundation for homeless people moving toward and maintaining independence.

#### **Eligible Applicants**

Entities interested in making application, must meet one of three criteria:

- 1. Private Nonprofits that have a yearly independent audit and have received ODOC's ESG funds within two (2) grant cycles may directly apply for an ESG grant without sponsorship.
- 2. Private Nonprofits that do not have a yearly independent audit and/or have not received ODOC's ESG funds within two (2) grant cycles may seek sponsorship from either a unit of general local government, Community Action Agency (CAA) operating in that jurisdiction, or a private nonprofit that has previous experience with following federal regulations and being an umbrella organization. For example, a local United Way or the Nonprofit arm of a Housing Authority.
  - a. Emergency Shelters that are owned and/or operated by a unit of general local government or a CAA must submit their request for funding through their owner.
  - b. In the occurrence of a sponsor applying on behalf of more than one shelter, separate applications must be submitted for each shelter.
- 3. Private Nonprofits that have a yearly independent audit but are seeking ESG funding from ODOC for the first time must have a sponsor. After the first funded program year, the private nonprofit has received an audit with no major findings and an ODOC monitoring report with no major findings, the private nonprofit can request permission from ODOC to apply for ESG funding independently with no sponsor.
  - a. Community Action Agencies seeking ODOC ESG funding for the first time that have successful experience with following federal regulations, such as CSBG, Weatherization, etc., are exempt from this requirement and allowed to apply without a sponsor.
  - b. Private Nonprofits within the City of Tulsa ESG Entitlement area that have received ESG entitlement funds within the last two (2) grant cycles are also exempt from this requirement and allowed to apply without a sponsor.
    - i. Note: ODOC ESG funds can only serve clients outside of the City of Tulsa ESG Entitlement areas.

#### **Sponsorship Responsibilities**

The sponsor (unit of local government or local Community Action Agency) will be the signatory on the contract and the direct recipient of the ESG funds. In turn, there will be a process in which the sponsor receives documentation, such as invoices, to reimburse the non-profit for the services provided as approved in the written application.

The sponsor is responsible for the oversight of the financial reporting, Proof of Match and Federal Requirements of the sponsored non-profit.

A unit of general local government or CAA may retain housing or administrative funds (not exceeding 3.75% of the total grant) to carry out certain activities. Not all funds used by the unit of general local government or CAA for housing or administrative activities must be used by the shelter.

A Sponsor/Shelter Agreement must be signed and submitted to ODOC before funds can be released.

ODOC/CD only funds ESG applicants located in and serving non-entitlement areas. Potential applicants with a shelter located in the jurisdictions of the City of Tulsa or the City of Oklahoma City must apply through their respective entitlement communities.

## **Local Government Project Approval**

Distribution of funding to CAA/Nonprofit is permitted only when the unit of general local government, in which the assisted project is to be located, certifies that it approves the proposed project. This certification must be submitted to ODOC with the application. If the CAA/Nonprofit intends to provide homeless assistance in multiple jurisdictions, a certification of approval must be submitted by each of the units of general local government in which the project(s) are to be located.

## **General Program Requirement Overview**

- 1. These competitive program funds are to be used to provide services to clients who meet the HUD <u>definition of homelessness</u> and <u>at risk of homelessness</u>.
- 2. Grant recipients must be an active participant in their local Continuum of Care.
- 3. Grant recipients must use their local Continuum of Care HMIS database. The only exception is for Domestic Violence Shelters who must have a comparable client-tracking database approved by ODOC. A comparable database must include the capacity to create reports that can be uploaded into the SAGE Reporting System.
- 4. Grant recipients must participate in the Continuum of Care Point in Time Count Survey.
- 5. Grant recipients must provide 100% match of grant funds to be used for services under the ESG program.
- 6. Grant recipients must be registered for the federal System for Award Management (SAM) system at www.sam.gov.
- 7. Grant recipients must operate outside of the jurisdictions of the City of Tulsa or The City of Oklahoma City.
- 8. Each ESG applicant agency must provide at least one staff member familiar with ESG as an ESG application reviewer for their CoC.
  - a. Although new ODOC ESG applicants may not have staff members familiar with the ESG program, at least one ESG applicant reviewer must be provided.

#### **Threshold Requirements for the Emergency Solutions Grant:**

All Emergency Solutions Applicants must meet the listed threshold criteria. ODOC reserves the right to disqualify any applicant who does not meet one or more of the threshold criteria.

- Applicant / Shelter must have an emergency shelter component or partnership to provide emergency shelter services.
- Access to the Shelter or access to beds must be available 24 hours /7 days/365 days a year.
- Applicant/ Shelter must provide documentation of active involvement in Continuum of Care planning and coordination of service efforts.
- Applicant/Shelter must provide documentation that the applicant is a participating member of the Continuum of Care's Coordinated Intake/Assessment.
- Applicant/ Shelter must provide required data/reporting through their Continuum of Care HMIS or comparable (DV organizations only) database.
- All outstanding monitoring findings and audit or unresolved financial/program issues from previously awarded grants must be resolved.
- All required certifications must be received and signed by the appropriate signatory.
- One hundred percent (100%) of contract funds including match must be expended before newly awarded funds can be used.
- Must have a complete set of written policies and procedures in which to manage the Emergency Solutions Grant Program.
  - o Must have Termination of Participation and Grievance Procedures.
  - o Must have a process for participation of Homeless Persons in Policymaking and Operations.
  - o Must have a Confidentiality Policy.
- Must have a current Financial Audit submitted before funds can be requested from grant.
- Must follow all General Record Keeping Requirements, both for financial and client files.

- Must meet all spending timeline requirements. Fifty percent (50%) of awarded funds must be spent by the first six (6) months of the contract; seventy-five percent (75%) must be spent within nine (9) months of the contract and one hundred percent (100%) must be spent by the end of the contract period.
- Must be activated in the System for Award Management (SAM) at sam.gov. Applicant must be clear of any findings and show as eligible for federal contracts and assistance awards.

#### **Continuum of Care**

The model used by Continuum of Cares (CoCs) is based on an understanding that homelessness is not caused by simply a lack of shelter but involves a variety of underlying needs. ODOC partners with the CoCs for the purpose of alleviating homelessness through a community-based process providing a comprehensive response to the diverse needs of homeless persons. Applicants are not eligible to apply for ODOC's ESG funds unless they are an active member of their CoC. Therefore, applicants must obtain verification from their Continuum of Care that they are involved in the CoC organization and service delivery process as well as participate in the HMIS data collecting, Point-In-Time Count Survey and Coordinated Intake. The fundamental components of a Continuum of Care system are:

- Outreach and assessment to identify a homeless person's needs.
- Immediate (emergency) shelter as a safe, decent alternative to the streets.
- Transitional housing with appropriate supportive services to help people reach independent living.
- Permanent housing or permanent supportive housing for the disabled homeless.

#### **Continuum of Care Criteria**

The seven (7) State Program eligible Continuum of Care organizations will be allocated a portion of the State ESG program funds. A Continuum of Care will be allocated funds upon proof of compliance with the HUD Continuum rule definitions, regulations and timeline pertaining to Continuum structure and planning process.

An eligible Continuum of Care must manage the three primary responsibilities established by HUD under the CoC Program regulations:

## 1. Operate the CoC:

- Establish a Board to act on behalf of the Continuum of Care
- Conduct semi-annual (twice yearly) meetings of the full membership
- Issue a public invitation for new members, at least annually
- Adopt and follow a written process to select a board
- Appoint additional committees, subcommittees, or work groups
- Develop and follow a governance charter detailing the responsibilities of all parties
- Consult with recipients and subrecipients to establish performance targets appropriate for population and program type, monitor the performance of recipients and subrecipients, evaluate outcomes, and take action against poor performers
- Evaluate and report to HUD and ODOC outcomes of ESG and CoC projects as instructed.
- Establish and operate a centralized or coordinated assessment system
- Establish and follow written standards for providing CoC assistance

# 2. Designate and Operate a Homeless Management Information System:

- Designate a single HMIS
- Select an eligible applicant to manage the CoC's HMIS
- Monitor recipient and subrecipient participation in the HMIS
- Review and approve privacy, security, and data quality plans

#### 3. Coordinate CoC Planning:

• Coordinate the implementation of a housing and service system within its geographic area

- Conduct a Point-in-Time count of homeless persons, at least biennially
- Conduct an annual gaps analysis
- Provide information required to complete the Consolidated Plan(s)
- Consult with ESG recipients regarding the allocation of ESG funds and the evaluation of the performance of ESG recipients and subrecipients

Any Continuum of Care entity that does not comply with the responsibilities above will not receive the allocated funds for their region. These funds will be re-distributed to other eligible Continuum of Care organizations through a procedure set by ODOC/CD.

## Continuum of Care Authority Responsibility relating to the ESG Program:

- The CoC Governing Board must establish policies/procedures to decide the dollar amount of grants awarded in their CoC region. The overall total amounts awarded must meet at minimum the 60(Shelter)/40(Housing)% spending regulations of the ESG Program, with at least forty percent (40%) of the total amounts in Housing (Rapid Rehousing and Prevention together).
  - o If a CoC chooses not to track the amount each ESG applicant within their CoC has in housing, then, each ESG applicant within that CoC must have at least 40% of their total grant amount budgeted in Housing (Rapid Re-Housing and Prevention together) to meet this requirement.
- The CoC Governing Board must establish policies/procedures to add restrictions/ requirements to
  the scoring process for awarding ESG funds. Any restrictions/requirements added to the scoring
  process must be in line with making improvements to better adhere to the CoC's Action Plan
  and/or Performance Measures.
- The CoC Governing Board must establish an Appeal Process for a case in which an Emergency Solutions Grant Program applicant has its application rejected. The Process must include the following:
  - o Number of days in which the applicant must submit an appeal in writing;
  - o How the Board shall meet (including timeframe) to hear the appeal;
  - o After local appeal procedures are exhausted, the applicant may appeal the CoC's decision to ODOC.
- The CoC Governing Board must establish policies/procedures regarding how to redistribute funds that are returned to the CoC if funds are made available after initial awards are granted.
- The CoC Governing Board creates policies/procedures regarding how funds will be awarded/distributed throughout each Continua service area to best answer the Federal/State's overall "No Wrong Door" goals.
- The CoC Governing Board must schedule one Public Meeting between the months of June and September of each year. The meeting agenda must include time on the agenda to discuss any proposed changes to the Emergency Solutions Grant Program for the next funding year. The following process must be followed to allow public posting of the annual meeting:
  - O A meeting notice must be posted in the local paper and/or Collaborative Applicant's (CoC Lead Agency) Website.
  - O The meeting agenda must be posted at all CoC's members' offices and shelters, the site of the location and at the CoC's Lead Contact's Offices a minimum of 48-hours before the meeting.

# Continuum of Care Eligibility Documentation:

#### Deadlines for the following documents can be found on the Timetable (Page 2):

- 1. Each CoC Lead Agency must submit the following to ODOC/CD:
  - a. Names of volunteer application reviewers.
  - b. If applicable, agreement with another lead CoC agency to score each other's CoC applications.
  - c. The following data to show proof of Lead CoC Eligibility:
    - i. Copy of most updated CoC Governance Charter.

- ii. Copy of most current Point-in-Time Survey data showing who submitted the response into the HDX (Only if this has not already been submitted).
- iii. Copy of most current Continuum of Care Grant Consolidated Application showing the name of the lead agency or member agency who submitted the application.
- iv. Documentation of any changes that have been made regarding the grant amounts awarded and proof that membership was made aware and agreed to approved changes:
  - 1. Copy of Agenda and Minutes of meeting where changes were discussed and/or approved.
  - 2. Copy of policies/procedures created as a result of above discussion and approval.

#### Distribution/Redistribution of non-awarded funds:

CoC allocated funding will be redistributed to remaining Continuum of Care entities when:

- The CoC does not comply with the responsibilities listed above
- A CoC is not considered an eligible Continuum of Care.
- Funds are not allocated due to there being no eligible CoC in a region
- Dollars are returned due to lack of eligible applicants in a CoC region.

Funds not awarded through a first-round allocation will be redistributed to other eligible Continuum of Care organizations through a procedure set by ODOC/CD. Redistribution may be based on performance and need of each CoC as a whole network.

ODOC reserves the right to recapture any administrative funds not budgeted by the awarded subrecipients equal to the maximum spending requirement allowed by HUD regulations.

#### **ESG Program Design**

The ESG Program is designed to address the following priority areas:

- Identification/prioritization of community needs and assessments.
- Clients' successful movement towards self-sufficiency.
- Development of Continuum of Care Participation.
- Performance Measure Results and Reporting.

## Performance Measures

Emergency Solutions subrecipients are required to choose and track all State Performance measures that best match their own organizational performance measures and local Continuum Action Plan. Each subrecipient establishes performance measures during the application process and are to use performance measures to systematically evaluate whether their efforts are making an impact on the program participants they are serving and/or the problem they are targeting. A subrecipient can have local performance measures that are different from the State Performance Measures listed in Part II.A. of this requirement below, but at least two (2) out of the four (4) State Performance Measures must be tracked. Victim Service Providers must collect the same measures in their own comparable database. Status will be reviewed during monitoring and a final count will be reported for the program year's closeout.

## The Statewide Performance Measures to be tracked are:

- 1. Number of persons that exit ESG programs that are not Homeless Prevention into permanent housing.
  - a. Found on CAPER #23C, Permanent Destinations Subtotal.
- 2. Number of persons in Homeless Prevention exiting to permanent housing.
  - a. Found on CAPER #24, Homeless Prevention Housing Assessment at Exit. Add the first 6 rows of the Total column.

- 3. Total number of persons served.
  - a. Found on CAPER #5A, 1. Total Number of Persons Served, Count of Clients column.
- 4. Total number of persons with income at exit or end of grant year.
  - a. Found on CAPER #17, Cash Income Sources. Add all numbers starting with Earned Income through Other source in both the Stayers and Leavers columns on the far right.

#### Performance Measures are Recorded and Tracked as Follows:

- 1. Goals for all appropriate performance measures start with what is reported by each Applicant in the Application.
  - a. A subrecipient can have local performance measures that are different from the State Performance Measures listed above, but at least two (2) out of the four (4) State Performance Measures must be tracked.
  - b. A subrecipient that has local performance measures different from the State Performance Measures listed above must explain in the Application how accomplishing their local goals or performance measures will overall help achieve the State Performance measures.
- 2. Each Performance Measure must have the following structure:
  - a. Clearly identify performance indicator;
  - b. Set performance target by establishing a clear plan for achieving the goal;
  - c. Measure performance realistically and quantitatively (with percentages or numbers);
  - d. Report Progress to ODOC during monitoring and at grant Closeout; and
  - e. Identify and make improvements.
- 3. Performance Measures must be tracked for a twelve-month (12) period, preferably the ESG contract period (between October 1st of one year to September 30th of the next).
- 4. Compliance of tracking performance measures will be reviewed during monitoring. Final performance measure numbers will be reported on the End of Program/Closeout Report when the subrecipient will identify areas where targets were not met and make improvements.
- 5. Subrecipients should use Point-in-Time (PIT) Data and/or data from HMIS (or a comparable database for Victim Service Providers).

## Definitions related to the Performance Measures:

- 1. Performance Indicators:
  - a. Output what a program or system does or produces (e.g., number served, cost/ household, length of stay, etc.).
  - b. Outcomes what is gained or changed as a result of output related to client knowledge, skills, behaviors or conditions (e.g., housing destination, recidivism, income changes, etc.)
- 2. <u>Performance Target</u>: percentage or numeric goal set for an indicator.

#### Funds distributed to Rural Continuum of Care.

The State recognizes that use of the established Continuum of Care structure is the best method for determining appropriate entities for the distribution of the New ESG funds. Starting with a base of \$140,000, the formula described below will be used to distribute the remainder of the funds; each eligible Continuum will be provided a target allocation of funds for distribution within its service area. Tulsa CoC will receive a base allocation of \$60,000 to be awarded to service providers that operate outside of the City of Tulsa entitlement area. Based on the 2023 HUD allocation of \$1,677,389 (minus the ODOC admin of \$62,902 and the ISOK HMIS contract of \$30,000), the 2024 Continuum of Care allocations are projected to be as follows:

СоС	Allocation with Base of \$140,000 Tulsa with Base of \$60,000
Cleveland	\$165,430.00
North Central	\$217,504.00

Northeast	\$235,512.00
Northwest	\$258,662.00
Southeast	\$349,282.00
Southwest	\$271,958.00
Tulsa (minus City of Tulsa)	\$ 86,138.00

The formula used for ESG project funding:

- a. 10% 2021 Estimated Total Population
- b. 30% Weighted Median Income Measure
- c. 30% April 2020 Unemployment Rate
- d. 30% 2017 2021 Housing units experience severe overcrowding (1.5 occupants per room)

Once HUD has released the FY 2024 ESG allocations, the formula will be used and the allocations updated accordingly.

According to the set Timetable (page 2), Each Continuum will collect, score and rank submitted applications according to the ODOC provided rating system and return the scores and ranking to ODOC. The recommendations for funding will be assessed for compliance with all ESG and CoC threshold criteria. Applications meeting the threshold criteria will be verified and awards determined.

ODOC will follow a State version of the Continuum of Care grant process. Lead agencies must submit certain basic demographic and capacity data for their Continuum of Care service area.

Documentation will be required to show proof of capacity and prior success in managing of programs that match the eligible activities of ESG.

After ODOC has received the recommendations from each Continuum of Care, ODOC will enter into contractual agreements directly with the approved subrecipient to carry out the financial and programmatic requirements according to law. The contracts will outline the funding source, funding year, amount of funding, terms and conditions.

Each CoC has the authority and responsibility to create their own policies and procedures pertaining to funding amounts and division of funding eligible activities.

#### **Eligible Program Participants**

In order to receive financial assistance or services funded by ESG, individuals and families—whether homeless or housed—must at least meet the following minimum criteria:

- 1) The household must be at or below 30 percent of Area Median Income (AMI). Income limits are available on HUD's web site (https://www.hudexchange.info/resource/5079/esg-income-limits/).
  - a. When the household is literally homeless, the below 30% AMI Income limit cannot be used to determine approval for assistance. At the time the household is re-assessed or reevaluated for continued or extended assistance is when the household cannot make above 30 percent Area Median Income (AMI).
- 2) The household must be either homeless or at risk of losing its housing and meet both of the following circumstances:
  - a. no appropriate subsequent housing options have been identified; AND
  - b. the household lacks the financial resources and support networks needed to obtain immediate housing or remain in its existing housing.

#### **Eligible Program Activities**

While flexible in terms of the wide range of servings available to homeless sub-populations and preventing persons from becoming homeless, the ESG Program legislation and implementing regulations do limit the types of activities and amounts of funds that can be spent on different activities. Details regarding eligible activities are listed below. Subrecipients shall perform only those eligible activities prescribed by 24 CFR Part 576, Emergency Solutions Grant Program. If an activity/service is not listed, then that activity/service cannot be funded through this program.

- 1. Street Outreach Component (24 CFR § 576.101).
- a. Eligible Costs. Subject to the expenditure limit in § 576.100(b), ESG funds may be used for costs of providing essential services necessary to reach out to unsheltered homeless people; connect them with emergency shelter, housing, or critical services; and provide urgent, non-facility-based care to unsheltered homeless people who are unwilling or unable to access emergency shelter, housing, or an appropriate health facility. For the purposes of this section, the term "unsheltered homeless people" means individuals and families who qualify as homeless under paragraph (1)(i) of the "homeless" definition under § 576.2. The eligible costs and requirements for essential services consist of:
  - i. Engagement. The costs of activities to locate, identify, and build relationships with unsheltered homeless people and engage them for the purpose of providing immediate support, intervention, and connections with homeless assistance programs and/or mainstream social services and housing programs. These activities consist of making an initial assessment of needs and eligibility; providing crisis counseling; addressing urgent physical needs, such as providing meals, blankets, clothes, or toiletries; and actively connecting and providing information and referrals to programs targeted to homeless people and mainstream social services and housing programs, including emergency shelter, transitional housing, community-based services, permanent supportive housing, and rapid re-housing programs. Eligible costs include the cell phone costs of outreach workers during the performance of these activities.
  - ii. Case Management. The cost of assessing housing and service needs, arranging, coordinating, and monitoring the delivery of individualized services to meet the needs of the program participant. Eligible services and activities are as follows: using the centralized or coordinated assessment system as required under § 576.400(d); conducting the initial evaluation required under § 576.401(a), including verifying and documenting eligibility; counseling; developing, securing and coordinating services; obtaining Federal, State, and local benefits; monitoring and evaluating program participant progress; providing information and referrals to other providers; and developing an individualized housing and service plan, including planning a path to permanent housing stability.
  - iii. Emergency health services.
    - 1) Eligible costs are for the direct outpatient treatment of medical conditions and are provided by licensed medical professionals operating in community-based settings, including streets, parks, and other places where unsheltered homeless people are living.
    - 2) ESG funds may be used only for these services to the extent that other appropriate health services are inaccessible or unavailable within the area.
    - 3) Eligible treatment consists of assessing a program participant's health problems and developing a treatment plan; assisting program participants to understand their health needs; providing directly or assisting program participants to obtain appropriate emergency medical treatment; and providing medication and follow-up services.
  - iv. Emergency mental health services.
    - 1) Eligible costs are the direct outpatient treatment by licensed professionals of mental health conditions operating in community-based settings, including streets, parks, and other places where unsheltered people are living.
    - 2) ESG funds may be used only for these services to the extent that other appropriate mental health services are inaccessible or unavailable within the community.

- 3) Mental health services are the application of therapeutic processes to personal, family, situational, or occupational problems in order to bring about positive resolution of the problem or improved individual or family functioning or circumstances.
- 4) Eligible treatment consists of crisis interventions, the prescription of psychotropic medications, explanation about the use and management of medications, and combinations of therapeutic approaches to address multiple problems.
- v. Transportation. The transportation costs of travel by outreach workers, social workers, medical professionals, or other service providers are eligible, provided that this travel takes place during the provision of services eligible under this section. The costs of transporting unsheltered people to emergency shelters or other service facilities are also eligible. These costs include the following:
  - 1) The cost of a program participant's travel on public transportation;
  - 2) If service workers use their own vehicles, mileage allowance for service workers to visit program participants;
  - 3) The cost of purchasing or leasing a vehicle for the recipient or subrecipient in which staff transports program participants and/or staff serving program participants, and the cost of gas, insurance, taxes and maintenance for the vehicle; and
  - 4) The travel costs of recipient or subrecipient staff to accompany or assist program participants to use public transportation.
- vi. Services for special populations. ESG funds may be used to provide services for homeless youth, victim services, and services for people living with HIV/AIDS, so long as the costs of providing these services are eligible under paragraphs (a.)(i.) through (a.)(v.) of this section. The term victim services means services that assist program participants who are victims of domestic violence, dating violence, sexual assault, or stalking, including services offered by rape crisis centers and domestic violence shelters, and other organizations with a documented history of effective work concerning domestic violence, dating violence, sexual assault, or stalking.
- b. Minimum period of use. The ESG subrecipient must provide services to homeless individuals and families for at least the period during which ESG funds are provided.
- c. Maintenance of effort.
  - i. If the recipient or subrecipient is a unit of general-purpose local government, its ESG funds cannot be used to replace funds the local government provided for street outreach and emergency shelter services during the immediately preceding 12-month period, unless HUD determines that the unit of general-purpose local government is in a severe financial deficit.
  - ii. Upon the recipient's request, HUD will determine whether the unit of general-purpose local government is in a severe financial deficit, based on the recipient's demonstration as outlined in 24 CFR 576.101 (c)(2)(i-iv).
- 2. Emergency Shelter Component (24 CFR § 576.102).
- a. General. Subject to the expenditure limit in § 576.100(b), ESG funds may be used for costs of providing essential services to homeless families and individuals in emergency shelters, renovating buildings to be used as emergency shelter for homeless families and individuals, and operating emergency shelters.
  - i. Essential services. ESG funds may be used to provide essential services to individuals and families who are in an emergency shelter, as follows:
    - 1. Case management. The cost of assessing, arranging, coordinating, and monitoring the delivery of individualized services to meet the needs of the program participant is eligible. Component services and activities consist of:
      - a) Using the centralized or coordinated assessment system as required under § 576.400(d);
      - b) Conducting the initial evaluation required under § 576.401(a), including verifying and documenting eligibility;
      - c) Counseling;

- d) Developing, securing, and coordinating services and obtaining Federal, State, and local benefits;
- e) Monitoring and evaluating program participant progress;
- f) Providing information and referrals to other providers;
- g) Providing ongoing risk assessment and safety planning with victims of domestic violence, dating violence, sexual assault, and stalking; and
- h) Developing an individualized housing and service plan, including planning a path to permanent housing stability.
- 2. Childcare. The costs of childcare for program participants, including providing meals and snacks, and comprehensive and coordinated sets of appropriate developmental activities, are eligible. The children must be under the age of 13 unless they are disabled. Disabled children must be under the age of 18. The child-care center must be licensed by the jurisdiction in which it operates in order for its costs to be eligible.
- 3. Education services. When necessary for the program participant to obtain and maintain housing, the costs of improving knowledge and basic educational skills are eligible. Services include instruction or training in consumer education, health education, substance abuse prevention, literacy, English as a Second Language, and General Educational Development (GED). Component services or activities are screening, assessment and testing; individual or group instruction; tutoring; provision of books, supplies and instructional material; counseling; and referral to community resources.
- 4. Employment assistance and job training. The costs of employment assistance and job training programs are eligible, including classroom, online, and/or computer instruction; onthe-job instruction; and services that assist individuals in securing employment, acquiring learning skills, and/or increasing earning potential. The cost of providing reasonable stipends to program participants in employment assistance and job training programs is an eligible cost. Learning skills include those skills that can be used to secure and retain a job, including the acquisition of vocational licenses and/or certificates. Services that assist individuals in securing employment consist of employment screening, assessment, or testing; structured job skills and job-seeking skills; special training and tutoring, including literacy training and prevocational training; books and instructional material; counseling or job coaching; and referral to community resources.
- 5. Outpatient health services. Eligible costs are for the direct outpatient treatment of medical conditions and are provided by licensed medical professionals. Emergency Solutions Grant (ESG) funds may be used only for these services to the extent that other appropriate health services are unavailable within the community. Eligible treatment consists of assessing a program participant's health problems and developing a treatment plan; assisting program participants to understand their health needs; providing directly or assisting program participants to obtain appropriate medical treatment, preventive medical care, and health maintenance services, including emergency medical services; providing medication and follow-up services; and providing preventive and non-cosmetic dental care.
- 6. Legal services.
  - a) Eligible costs are the hourly fees for legal advice and representation by attorneys licensed and in good standing with the bar association of the State in which the services are provided, and by person(s) under the supervision of the licensed attorney, regarding matters that interfere with the program participant's ability to obtain and retain housing.
  - b) Emergency Solutions Grant (ESG) funds may be used only for these services to the extent that other appropriate legal services are unavailable or inaccessible within the community.
  - c) Eligible subject matters are child support, guardianship, paternity, emancipation, and legal separation, orders of protection and other civil remedies for victims of domestic violence, dating violence, sexual assault, and stalking, appeal of veterans and public benefit claim denials, and the resolution of outstanding criminal warrants.

- d) Component services or activities may include client intake, preparation of cases for trial, provision of legal advice, representation at hearings, and counseling.
- e) Fees based on the actual service performed (i.e., fee for service) are also eligible, but only if the cost would be less than the cost of hourly fees. Filing fees and other necessary court costs are also eligible. If the subrecipient is a legal services provider and performs the services itself, the eligible costs are the subrecipient's employees' salaries and other costs necessary to perform the services.
- f) Legal services for immigration and citizenship matters and issues relating to mortgages are ineligible costs. Retainer fee arrangements and contingency fee arrangements are ineligible costs.
- 7. Life skills training. The costs of teaching critical life management skills that may never have been learned or have been lost during the course of physical or mental illness, domestic violence, substance use, and homelessness are eligible costs. These services must be necessary to assist the program participant to function independently in the community. Component life skills training are budgeting resources, managing money, managing a household, resolving conflict, shopping for food and needed items, improving nutrition, using public transportation, and parenting.
- 8. Mental health services.
  - a) Eligible costs are the direct outpatient treatment by licensed professionals of mental health conditions.
  - b) ESG funds may only be used for these services to the extent that other appropriate mental health services are unavailable or inaccessible within the community.
  - c) Mental health services are the application of therapeutic processes to personal, family, situational, or occupational problems in order to bring about positive resolution of the problem or improved individual or family functioning or circumstances. Problem areas may include family and marital relationships, parent-child problems, or symptom management.
  - d) Eligible treatment consists of crisis interventions; individual, family, or group therapy sessions; the prescription of psychotropic medications or explanations about the use and management of medications; and combinations of therapeutic approaches to address multiple problems.
- 9. Substance abuse treatment services.
  - a) Eligible substance abuse treatment services are designed to prevent, reduce, eliminate, or deter relapse of substance abuse or addictive behaviors and are provided by licensed or certified professionals.
  - b) ESG funds may only be used for these services to the extent that other appropriate substance abuse treatment services are unavailable or inaccessible within the community.
  - c) Eligible treatment consists of client intake and assessment, and outpatient treatment for up to 30 days. Group and individual counseling and drug testing are eligible costs. Inpatient detoxification and other inpatient drug or alcohol treatment are not eligible costs.
- 10. Transportation. Eligible costs consist of the transportation costs of a program participant's travel to and from medical care, employment, childcare, or other eligible essential services facilities. These costs include the following:
  - a) The cost of a program participant's travel on public transportation;
  - b) If service workers use their own vehicles, mileage allowance for service workers to visit program participants;
  - c) The cost of purchasing or leasing a vehicle for the recipient or subrecipient in which staff transports program participants and/or staff serving program participants, and the cost of gas, insurance, taxes, and maintenance for the vehicle; and
  - d) The travel costs of recipient or subrecipient staff to accompany or assist program participants to use public transportation.

- 11. Services for special populations. ESG funds may be used to provide services for homeless youth, victim services, and services for people living with HIV/AIDS, so long as the costs of providing these services are eligible under paragraphs a.i.1) through a.i.10) of this section. The term victim services means services that assist program participants who are victims of domestic violence, dating violence, sexual assault, or stalking, including services offered by rape crisis centers and domestic violence shelters, and other organizations with a documented history of effective work concerning domestic violence, dating violence, sexual assault, or stalking.
- ii. Renovation. Eligible costs include labor, materials, tools, and other costs for renovation (including major rehabilitation of an emergency shelter or conversion of a building into an emergency shelter). The emergency shelter must be owned by a government entity or private nonprofit organization. Note The Oklahoma Department of Commerce does not allow for shelter renovation using ESG funds.
- iii. Shelter operations. Eligible costs are the costs of maintenance (including minor or routine repairs), rent, security, fuel, equipment, insurance, utilities, food, furnishings, and supplies necessary for the operation of the emergency shelter. Where no appropriate emergency shelter is available for a homeless family or individual, eligible costs may also include a hotel or motel voucher for that family or individual.
- iv. Assistance required under the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA). Eligible costs are the costs of providing URA assistance under § 576.408, including relocation payments and other assistance to persons displaced by a project assisted with ESG funds. Persons that receive URA assistance are not considered "program participants" for the purposes of this part, and relocation payments and other URA assistance are not considered "rental assistance" or "housing relocation and stabilization services" for the purposes of this part.
- b. Prohibition against involuntary family separation. The age of a child under age 18 must not be used as a basis for denying any family's admission to an emergency shelter that uses Emergency Solutions Grant (ESG) funding or services and provides shelter to families with children under age 18.
- c. Minimum period of use.
  - Renovated buildings. Each building renovated with ESG funds must be maintained as a shelter for homeless individuals and families for not less than a period of 3 or 10 years, depending on the type of renovation and the value of the building. The "value of the building" is the reasonable monetary value assigned to the building, such as the value assigned by an independent real estate appraiser. The minimum use period must begin on the date the building is first occupied by a homeless individual or family after the completed renovation. A minimum period of use of 10 years, required for major rehabilitation and conversion, must be enforced by a recorded deed or use restriction. *Note The Oklahoma Department of Commerce does not allow for shelter renovation using ESG funds*.
    - 1) Major rehabilitation. If the rehabilitation cost of an emergency shelter exceeds 75 percent of the value of the building before rehabilitation, the minimum period of use is 10 years.
    - 2) Conversion. If the cost to convert a building into an emergency shelter exceeds 75 percent of the value of the building after conversion, the minimum period of use is 10 years.
    - 3) Renovation other than major rehabilitation or conversion. In all other cases where ESG funds are used for renovation, the minimum period of use is 3 years.
  - ii. Essential services and shelter operations. Where the recipient or subrecipient uses ESG funds solely for essential services or shelter operations, the recipient or subrecipient must provide services or shelter to homeless individuals and families at least for the period during which the ESG funds are provided. The recipient or subrecipient does not need to limit these services or shelter to a particular site or structure, so long as the site or structure serves the same type of persons originally served with the assistance (e.g., families with children, unaccompanied youth, disabled individuals, or victims of domestic violence) or serves homeless persons in the same area where the recipient or subrecipient originally provided the services or shelter.

- iii. Long-term Emergency Housing (alternative to Transitional Housing). The Transitional Housing that was Grandfathered in as of 2010 is no longer an eligible activity for the ESG Program. Applicants are asked to propose projects for long-term Emergency Shelter. This type of shelter would be for clients whose needs to become stable enough for permanent housing will take longer than the regular shelter stay period. Details for approval of an extended length of stay in a shelter environment will have to be provided in the Project Narrative questions portion of the application.
- d. Maintenance of effort. The maintenance of effort requirements under § 576.101(c), which apply to the use of ESG funds for essential services related to street outreach, also apply for the use of such funds for essential services related to emergency shelter.

## 3. Homeless Prevention (24 CFR § 576.103).

a. ESG funds may be used to provide housing relocation and stabilization services and short- and/or medium-term rental assistance necessary to prevent an individual or family from moving into an emergency shelter or another place described in paragraph (1) of the "homeless" definition in § 576.2. This assistance, referred to as homelessness prevention, may be provided to individuals and families who meet the criteria under the "at risk of homelessness" definition, or who meet the criteria in paragraph (2), (3), or (4) of the "homeless" definition in § 576.2 and have an annual income below 30 percent of median family income for the area, as determined by HUD. The costs of homelessness prevention are only eligible to the extent that the assistance is necessary to help the program participant regain stability in the program participant's current permanent housing or move into other permanent housing and achieve stability in that housing. Homelessness prevention must be provided in accordance with the housing relocation and stabilization services requirements in § 576.105, the short-term and medium-term rental assistance requirements in § 576.106, and the written standards and procedures established under § 576.400.

## 4. Rapid Re-Housing Assistance Component (24 CFR § 576.104).

a. ESG funds may be used to provide housing relocation and stabilization services and short- and/or medium-term rental assistance as necessary to help a homeless individual or family move as quickly as possible into permanent housing and achieve stability in that housing. This assistance, referred to as rapid re-housing assistance, may be provided to program participants who meet the criteria under paragraph (1) of the "homeless" definition in § 576.2 or who meet the criteria under paragraph (4) of the "homeless" definition and live in an emergency shelter or other place described in paragraph (1) of the "homeless" definition. The rapid re-housing assistance must be provided in accordance with the housing relocation and stabilization services requirements in § 576.105, the short-term and medium-term rental assistance requirements in § 576.106, and the written standards and procedures established under § 576.400.

#### 5. Housing Relocation and Stabilization Services (24 CFR § 576.105).

- a. Financial assistance costs. Subject to the general conditions under § 576.103 and § 576.104, ESG funds may be used to pay housing owners, utility companies, and other third parties for the following costs:
  - i. Rental application fees. ESG funds may pay for the rental housing application fee that is charged by the owner to all applicants.
  - ii. Security deposits. ESG funds may pay for a security deposit that is equal to no more than 2 months' rent.
  - iii. Last month's rent. If necessary to obtain housing for a program participant, the last month's rent may be paid from ESG funds to the owner of that housing at the time the owner is paid the security deposit and the first month's rent. This assistance must not exceed one month's rent and must be included in calculating the program participant's total rental assistance, which cannot exceed 24 months during any 3-year period.
  - iv. Utility deposits. ESG funds may pay for a standard utility deposit required by the utility company for all customers for the utilities listed in paragraph (5) of this section.

- v. Utility payments. ESG funds may pay for up to 24 months of utility payments per program participant, per service, including up to 6 months of utility payments in arrears, per service. A partial payment of a utility bill counts as one month. This assistance may only be provided if the program participant or a member of the same household has an account in his or her name with a utility company or proof of responsibility to make utility payments. Eligible utility services are gas, electric, water, and sewage. No program participant shall receive more than 24 months of utility assistance within any 3-year period.
- vi. Moving costs. ESG funds may pay for moving costs, such as truck rental or hiring a moving company. This assistance may include payment of temporary storage fees for up to 3 months, provided that the fees are accrued after the date the program participant begins receiving assistance under paragraph (b) of this section and before the program participant moves into permanent housing. Payment of temporary storage fees in arrears is not eligible.
- vii. If a program participant receiving short- or medium-term rental assistance under § 576.106 meets the conditions for an emergency transfer under 24 CFR 5.2005(e), ESG funds may be used to pay amounts owed for breaking a lease to affect an emergency transfer. These costs are not subject to the 24-month limit on rental assistance under § 576.106.
- b. Services costs. Subject to the general restrictions under § 576.103 and § 576.104, ESG funds may be used to pay the costs of providing the following services:
  - i. Housing search and placement. Services or activities necessary to assist program participants in locating, obtaining, and retaining suitable permanent housing, include the following:
    - 1) Assessment of housing barriers, needs, and preferences;
    - 2) Development of an action plan for locating housing;
    - 3) Housing search;
    - 4) Outreach to and negotiation with owners;
    - 5) Assistance with submitting rental applications and understanding leases;
    - 6) Assessment of housing for compliance with Emergency Solutions Grant (ESG) requirements for habitability, lead-based paint, and rent reasonableness;
    - 7) Assistance with obtaining utilities and making moving arrangements; and
    - 8) Tenant counseling.
  - ii. Housing stability case management. ESG funds may be used to pay cost of assessing, arranging, coordinating, and monitoring the delivery of individualized services to facilitate housing stability for a program participant who resides in permanent housing or to assist a program participant in overcoming immediate barriers to obtaining housing. This assistance cannot exceed 30 days during the period the program participant is seeking permanent housing and cannot exceed 24 months during the period the program participant is living in permanent housing. Component services and activities consist of:
    - 1) Using the centralized or coordinated assessment system as required under § 576.400(d), to evaluate individuals and families applying for or receiving homelessness prevention or rapid re-housing assistance;
    - 2) Conducting the initial evaluation required under § 576.401(a), including verifying and documenting eligibility, for individuals and families applying for homelessness prevention or rapid re-housing assistance;
    - 3) Counseling:
    - 4) Developing, securing, and coordinating services and obtaining Federal, State, and local benefits:
    - 5) Monitoring and evaluating program participant progress;
    - 6) Providing information and referrals to other providers;
    - 7) Developing an individualized housing and service plan, including planning a path to permanent housing stability; and
    - 8) Conducting re-evaluations required under § 576.401(b).
  - iii. Mediation. ESG funds may pay for mediation between the program participant and the owner or person(s) with whom the program participant is living, provided that the mediation is necessary

- to prevent the program participant from losing permanent housing in which the program participant currently resides.
- iv. Legal services. ESG funds may pay for legal services, as set forth in § 576.102(a)(1)(vi), except that the eligible subject matters also include landlord/tenant matters, and the services must be necessary to resolve a legal problem that prohibits the program participant from obtaining permanent housing or will likely result in the program participant losing the permanent housing in which the program participant currently resides.
- v. Credit repair. ESG funds may pay for credit counseling and other services necessary to assist program participants with critical skills related to household budgeting, managing money, accessing a free personal credit report, and resolving personal credit problems. This assistance does not include the payment or modification of a debt.
- c. Maximum amounts and periods of assistance. The recipient may set a maximum dollar amount that a program participant may receive for each type of financial assistance under paragraph (a.) of this section. The recipient may also set a maximum period for which a program participant may receive any of the types of assistance or services under this section. However, except for housing stability case management, the total period for which any program participant may receive the services under paragraph (b.) of this section must not exceed 24 months during any 3-year period. The limits on the assistance under this section apply to the total assistance an individual receives, either as an individual or as part of a family.
- d. Use with other subsidies. Financial assistance under paragraph (a.) of this section cannot be provided to a program participant who is receiving the same type of assistance through other public sources or to a program participant who has been provided with replacement housing payments under the URA, during the period of time covered by the URA payments.
- e. Housing counseling. Housing counseling, as defined in § 5.100, that is funded with or provided in connection with ESG funds must be carried out in accordance with § 5.111. When recipients or sub recipients provide housing services to eligible persons that are incidental to a larger set of holistic case management services, these services do not meet the definition of housing counseling, as defined in § 5.100, and therefore are not required to be carried out in accordance with the certification requirements of § 5.111.
- 6. Short-term and Medium-term Rental Assistance (24 CFR § 576.106).
- a) General provisions. Subject to the general conditions under § 576.103 and § 576.104, the recipient or subrecipient may provide a program participant with up to 24 months of rental assistance during any 3-year period. This assistance may be short-term rental assistance, medium-term rental assistance, payment of rental arrears, or any combination of this assistance.
  - i. Short-term rental assistance is assistance for up to 3 months of rent.
  - ii. Medium-term rental assistance is assistance for more than 3 months but not more than 24 months of rent.
  - iii. Payment of rental arrears consists of a one-time payment for up to 6 months of rent in arrears, including any late fees on those arrears.
  - iv. Rental assistance may be tenant-based or project-based, as set forth in paragraphs (h.) and (i.) of this section. Note The Oklahoma Department of Commerce does not allow ESG funds to be expended on project-based rental assistance.
- b) Discretion to set caps and conditions. Subject to the requirements of this section, the recipient may set a maximum amount or percentage of rental assistance that a program participant may receive, a maximum number of months that a program participant may receive rental assistance, or a maximum number of times that a program participant may receive rental assistance. The recipient may also require program participants to share in the costs of rent.
- c) Use with other subsidies. Except for a one-time payment of rental arrears on the tenant's portion of the rental payment, rental assistance cannot be provided to a program participant who is receiving tenant-based rental assistance or living in a housing unit receiving project-based rental assistance or operating assistance, through other public sources. Rental assistance may not be provided to a

program participant who has been provided with replacement housing payments under the URA during the period of time covered by the URA payments.

- d) Rent restrictions.
  - i. Rental assistance cannot be provided unless the rent does not exceed the Fair Market Rent established by HUD, as provided under 24 CFR part 888, and complies with HUD's standard of rent reasonableness, as established under 24 CFR 982.507.
    - a. ESG cannot pay for the rent of any unit that does not meet HUD's FMR and Rent Reasonableness Standards, even if excess rent costs are paid with other non-ESG funds.
    - b. Rent reasonableness and FMR requirements do not apply when a program participant receives only financial assistance or services under Housing Stabilization and Relocation Services or rent arrears.
  - ii. For purposes of calculating rent under this section, the rent shall equal the sum of the total monthly rent for the unit, any fees required for occupancy under the lease (other than late fees and pet fees) and, if the tenant pays separately for utilities, the monthly allowance for utilities (excluding telephone) established by the public housing authority for the area in which the housing is located.
- e) Rental assistance agreement. The subrecipient may make rental assistance payments only to an owner with whom the subrecipient has entered into a rental assistance agreement. The rental assistance agreement must set forth the terms under which rental assistance will be provided, including the requirements that apply under this section. The rental assistance agreement must provide that, during the term of the agreement, the owner must give the recipient or subrecipient a copy of any notice to the program participant to vacate the housing unit or any complaint used under State or local law to commence an eviction action against the program participant.
  - i. Each rental assistance agreement that is executed or renewed on or after December 16, 2016, must include all protections that apply to tenants and applicants under 24 CFR part 5, subpart L, as supplemented by § 576.409, except for the emergency transfer plan requirements under 24 CFR 5.2005(e) and 576.409(d). If the housing is not assisted under another "covered housing program", as defined in 24 CFR 5.2003, the agreement may provide that the owner's obligations under 24 CFR part 5, subpart L (Protection for Victims of Domestic Violence, Dating Violence, Sexual Assault, or Stalking), expire at the end of the rental assistance period.
- f) Late payments. The recipient or subrecipient must make timely payments to each owner in accordance with the rental assistance agreement. The rental assistance agreement must contain the same payment due date, grace period, and late payment penalty requirements as the program participant's lease. The recipient or subrecipient is solely responsible for paying late payment penalties that it incurs with non-ESG funds.
- g) Lease. Each program participant receiving rental assistance must have a legally binding, written lease for the rental unit, unless the assistance is solely for rental arrears. The lease must be between the owner and the program participant for a duration of no less than 30 days. Where the assistance is solely for rental arrears, an oral agreement may be accepted in place of a written lease, if the agreement gives the program participant an enforceable leasehold interest under state law and the agreement and rent owed are sufficiently documented by the owner's financial records, rent ledgers, or canceled checks.
  - i. For program participants living in housing with project-based rental assistance under paragraph (i) of this section, the lease must have an initial term of 1 year. Each lease executed on or after December 16, 2016, must include a lease provision or incorporate a lease addendum that includes all requirements that apply to tenants, the owner or lease under 24 CFR part 5, subpart L (Protection for Victims of Domestic Violence, Dating Violence, Sexual Assault, or Stalking), as supplemented by 24 CFR 576.409, including the prohibited bases for eviction and restrictions on construing lease terms under 24 CFR 5.2005(b) and (c). If the housing is not assisted under another "covered housing program," as defined in 24 CFR 5.2003, the lease provision or lease addendum may be written to expire at the end of the rental assistance period.
    - 1) Note The Oklahoma Department of Commerce does not allow ESG funds to be expended on project-based rental assistance.

- h) Tenant-based rental assistance.
  - i. A program participant who receives tenant-based rental assistance may select a housing unit in which to live and may move to another unit or building and continue to receive rental assistance, as long as the program participant continues to meet the program requirements.
  - ii. The recipient may require that all program participants live within a particular area for the period in which the rental assistance is provided.
  - iii. The rental assistance agreement with the owner must terminate and no further rental assistance payments under that agreement may be made if:
    - 1) The program participant moves out of the housing unit for which the program participant has a lease;
    - 2) The lease terminates and is not renewed; or
    - 3) The program participant becomes ineligible to receive ESG rental assistance.
- i) Project-based rental assistance. If the recipient or subrecipient identifies a permanent housing unit that meets ESG requirements and becomes available before a program participant is identified to lease the unit, the recipient or subrecipient may enter into a rental assistance agreement with the owner to reserve the unit and subsidize its rent in accordance with the requirements outlined in 24 CFR 576.106(a)(i). Note The Oklahoma Department of Commerce does not allow ESG funds to be expended on project-based rental assistance.
- j) Changes in household composition. The limits on the assistance under this section apply to the total assistance an individual receives, either as an individual or as part of a family.

## 7. HMIS Component (24 CFR § 576.107).

- a. Eligible costs.
  - i. The recipient or subrecipient may use ESG funds to pay the costs of contributing data to the HMIS designated by the Continuum of Care for the area, including the costs of:
    - 1) Purchasing or leasing computer hardware;
    - 2) Purchasing software or software licenses;
    - 3) Purchasing or leasing equipment, including telephones, fax machines, and furniture;
    - 4) Obtaining technical support:
    - 5) Leasing office space;
    - 6) Paying charges for electricity, gas, water, phone service, and high-speed data transmission necessary to operate or contribute data to the HMIS;
    - 7) Paying salaries for operating HMIS, including:
      - a) Completing data entry;
      - b) Monitoring and reviewing data quality;
      - c) Completing data analysis;
      - d) Reporting to the HMIS Lead;
      - e) Training staff on using the HMIS or comparable database; and
      - f) Implementing and complying with HMIS requirements;
    - 8) Paying costs of staff to travel to and attend HUD-sponsored and HUD-approved training on HMIS and programs authorized by Title IV of the McKinney-Vento Homeless Assistance Act:
    - 9) Paying staff travel costs to conduct intake; and
    - 10) Paying participation fees charged by the HMIS Lead if the recipient or subrecipient is not the HMIS Lead. The HMIS Lead is the entity designated by the Continuum of Care to operate the area's HMIS.
  - ii. If the recipient is the HMIS lead agency, as designated by the Continuum of Care in the most recent fiscal year Continuum of Care Homeless Assistance Grants Competition, it may also use ESG funds to pay the costs of:
    - 1) Hosting and maintaining HMIS software or data;
    - 2) Backing up, recovering, or repairing HMIS software or data;
    - 3) Upgrading, customizing, and enhancing the HMIS;

- 4) Integrating and warehousing data, including development of a data warehouse for use in aggregating data from subrecipients using multiple software systems;
- 5) Administering the system;
- 6) Reporting to providers, the Continuum of Care, and HUD; and
- 7) Conducting training on using the system or a comparable database, including traveling to the training.
- iii. If the subrecipient is a victim services provider or a legal services provider, it may use ESG funds to establish and operate a comparable database that collects client-level data over time (i.e., longitudinal data) and generates unduplicated aggregate reports based on the data. Information entered into a comparable database must not be entered directly into or provided to an HMIS.
- b. General restrictions. Activities funded under this section must comply with HUD's standards on participation, data collection, and reporting under a local HMIS.
- 8. Administrative Activities (24 CFR § 576.108).
- a. Eligible costs. Subrecipients may use up to 3.75 percent of its ESG grant for the payment of administrative costs related to the planning and execution of ESG activities. This does not include staff and overhead costs directly related to carrying out activities eligible under § 576.101 through § 576.107, because those costs are eligible as part of those activities. Eligible administrative costs include:
  - i. General management, oversight and coordination. Costs of overall program management, coordination, monitoring, and evaluation. These costs include, but are not limited to, necessary expenditures for the following:
    - 1) Salaries, wages, and related costs of the recipient's staff, the staff of subrecipients, or other staff engaged in program administration. In charging costs to this category, the recipient may either include the entire salary, wages, and related costs allocable to the program of each person whose primary responsibilities with regard to the program involve program administration assignments, or the pro rata share of the salary, wages, and related costs of each person whose job includes any program administration assignments. The recipient may use only one of these methods for each fiscal year grant. Program administration assignments include the following:
      - a) Preparing program budgets and schedules, and amendments to those budgets and schedules:
      - b) Developing systems for assuring compliance with program requirements;
      - c) Developing interagency agreements and agreements with subrecipients and contractors to carry out program activities;
      - d) Monitoring program activities for progress and compliance with program requirements;
      - e) Preparing reports and other documents directly related to the program for submission to HUD;
      - f) Coordinating the resolution of audit and monitoring findings;
      - g) Evaluating program results against stated objectives; and
      - h) Managing or supervising persons whose primary responsibilities with regard to the program include such assignments as those described in paragraph a.i.1)a) through g) of this section.
    - 2) Travel costs incurred for monitoring of subrecipients;
    - 3) Administrative services performed under third-party contracts or agreements, including general legal services, accounting services, and audit services; and
    - 4) Other costs for goods and services required for administration of the program, including rental or purchase of equipment, insurance, utilities, office supplies, and rental and maintenance (but not purchase) of office space.
  - ii. Training on ESG requirements. Costs of providing training on ESG requirements and attending HUD-sponsored ESG trainings.
  - iii. Consolidated plan. Costs of preparing and amending the ESG and homelessness-related sections of the consolidated plan in accordance with ESG requirements and 24 CFR part 91.

#### **Policy and Procedures Standards**

Each ESG subrecipient must establish written standards for providing ESG assistance and provide a copy to ODOC. Returning applicants much submit documentation that the Program's Written Policies and Procedures have been reviewed by the Staff and Board at least once a year. Documentation must include a Board Agenda showing the Policies/Procedures as an Agenda item as well as the minutes produced from the meeting showing the discussion and approval of the Policies/Procedures from the Board. New subrecipients must have an established set of Policies and Procedures within ninety (90) days of receiving their ESG Award letter. The new subrecipient must submit a copy to ODOC of the written Policies/Procedures, Board Agenda showing the Policies/Procedures as an Agenda item as well as the minutes produced from the meeting showing the discussion and approval of the Policies/Procedures from the Board.

The following standards must be applied consistently within the subrecipient's program:

- ODOC's ESG Implementation Manual Requirement 708 Written Standards and Procedures
- ODOC's ESG Implementation Manual Requirement 707, Part II-M Habitability Standards

#### **ESG Program Requirements**

#### **Release of Funds**

Applicants awarded funds must submit and receive authority to use grants funds prior to expending grant funds. Funds will not be released until all required documentation has been received. Funds expended prior to the authority to use grant funds will not be reimbursed.

#### **Budget**

Each recipient must complete a project budget and budget narrative form. Project budget should list the amount of ESG funds to be expended in each separate category and the project narrative should provide a description detailing the anticipated expenditures by category.

## **Matching Funds**

The ESG Program requires a dollar-for dollar local match. All eligible match funds, in-kind contributions, and cash included in the application must be available for spending during the grant's contract period. The dates available for each match resource must be entered on the Match Certification form in OK Grants. Each applicant is required to complete certification documenting the sources and amounts submitted for match available in the contract period. Matching funds cannot be used to match any other Federal program's funds nor any other ESG grant and ESG funds cannot be used to meet the matching requirements of another program that is being used to match ESG.

The matching funds are provided based on the total grant amount and do not have to be provided on a component-by-component basis. For example, if a recipient is spending \$10,000 on HMIS, they do not need to find \$10,000 in data collection funds from another source to use as match.

The amount of match must be tracked and reconciled by month and reflected on the monthly Reimbursement Claim Form submitted to ODOC in OKGrants on the 20th of each month. It is the award recipient's responsibility to ensure that match must be spent on ESG eligible activities only. Match funds and expenditures must also be included in the annual audit.

The following are examples of what can be used as match:

- Cash (can only be spent on ESG eligible activities)
- The value or fair rental value of any building used for program purposes (in-kind)
- Donated material (in-kind)
- The value of an owned or donated building (match may be used only one time)
- Salary paid to staff to carry out the program of the recipient (Source of funding for staff salaries must be listed on Match Certification form and tracked monthly.)

• Volunteer time (Must be valued at rates consistent with those ordinarily paid for similar work in the recipient's or subrecipient's organization.)

Match fiscal supporting records must include the following:

- 1. The fiscal year grant for which each matching contribution is counted.
- 2. How the value placed on third-party, noncash contributions was derived. Requirement: You must use a method reasonably calculated to establish the fair market value.
- 3. Document that the matching funds were used in accordance with both the other federal program's requirements and the requirements that apply to ESG grant funds, except for the expenditure limits in 24 CFR 576.100. This includes requirements such as documentation requirements, eligibility requirements, and eligible costs.

## Reporting

Emergency Solutions Grant recipients will use HMIS through the applicable Continuum of Care to collect data and report on outputs and outcomes as required by HUD. The required data elements to be collected are included in the FY 2024 HMIS Data Standards Manual released October 2023 found on HUD's HMIS Data Standards page: <a href="https://www.hudexchange.info/resource/3824/hmis-data-dictionary/">https://www.hudexchange.info/resource/3824/hmis-data-dictionary/</a>.

According to HUD's final ruling over data collection from Domestic Violence (DV) Shelters, the revised "VAWA Protections" include that Domestic Violence Shelters are exempt from having to use any shared database such as the HMIS software to collect client information and services provided. However, data collection relating to non-confidential demographics and services provided is required to be reported by the DV shelter. A comparable database can be used to collect such data. The comparable database must meet all HMIS data standards and reporting requirements.

Reports due to ODOC using data from HMIS (or comparable database for DV Shelters) are as follows:

Report Type	Reporting Period
Monthly Progress (CAPER) Report – Shelter,	Due the 20 <sup>th</sup> of the following month.
RRH, Prevention, and/or Outreach CAPER report	For example, the January Progress (CAPER)
for the reporting month.	Report would be due no later than February 20 <sup>th</sup> and
	uploaded with the Reimbursement Claim Form in
	OKGrants.
Semi-Annual Progress Reports – Report	Period from October 1 to March 31st – Due April
providing unduplicated numbers every 6 months.	25 <sup>th</sup> .
	Period from April 1 to September 30 <sup>th</sup> – Due
	October 25 <sup>th</sup> .
Contract Closeout Report – Report due with	Captures data for October 1 of one year to
Contract Closeout.	September 30 of the next – Due November 30 <sup>th</sup> .
SAGE Upload – Must be uploaded 45 days before	Period from April 1 <sup>st</sup> of one year to March 30 <sup>th</sup> of
CAPER is due to HUD	the next - Due May 15 <sup>th</sup> .

## **Sage Reporting**

SAGE is the online portal for the submission of aggregate, de-identified data from HMIS or comparable databases via a Comma Separated Value (CSV) import. All Applicants who receive ESG funds will be required to upload Performance

Report data to the SAGE System. Domestic Violence Shelters are not exempt from providing required aggregate data to upload into SAGE. The comparable system that the Domestic Violence Shelters use must be able to create a CSV file needed to upload to the SAGE system to meet requirements. If a Domestic Violence Shelter's comparable database cannot provide required demographic data and cannot provide required reports in the required format (CSV file for SAGE) the Domestic Violence Shelter may be disqualified from receiving Emergency Solution Grant funds.

#### **HMIS Data Quality and Reporting**

ODOC will procure using HMIS funds to provide HMIS technical support, training, data analysis and quality, and to assist in uploading data in SAGE as allowed by 24 CFR 576.107.

## **Payments**

ODOC shall disburse funds to the Applicants awarded funds upon receipt and approval by ODOC of the Request for Release of Funds. Once the "Release of Funds" form has been received by the new subrecipient, a reimbursement payment process will be implemented.

## **Deadline for Using Grant Amounts**

The grant period for the ESG project is twelve (12) months effective October 1 of one year to September 30 of the next year. All grant funds must be expended by September 30. Extensions to the program (grant) periods are made at the discretion of the State and will only be approved in extreme circumstances.

In addition, timelines within the twelve-month contract period have been established to ensure one hundred percent (100%) of program funds are spent within the program period. Grant funds must be spent within the following timelines: Fifty percent (50%) of awarded funds must be spent by the first six (6) months of the contract; seventy-five percent (75%) must be spent within nine (9) months of the contract and one hundred percent (100%) must be spent by the end of the contract period.

#### **Obligated**

Once ODOC has receive an ESG grant agreement by HUD, ODOC will send a letter to each rural continuum notifying each Lead agency the total dollar amount the CoC will be allowed to award in their service area. Each CoC Governance Board has a certain time period in which they review the submitted applications. Once reviewed and final decisions made, each CoC will submit a letter to ODOC with their recommendations for funding to eligible applicants. Funds cannot be expended until ODOC/CD receives an Environmental Review (if applicable), Sponsor/Shelter Agreement or summary (if applicable) and a Request for Release of Funds. Upon receipt of these documents, ODOC will return to the Applicant a signed Authority to Use Grant Funds (Release of Funds).

#### Certifications

Federal requirements will be assured by certifications in the grant application. Federal requirement certifications that must be submitted by applicants are as follows:

- Local Government Certification This form is signed by the local unit of government Chief Elected Official when the unit of government agrees to be the Sponsor for a nonprofit organization. The local unit of government agrees to follow federal regulations as it relates to building standards, assistance to the homeless along with other Department of Housing and Urban Development (HUD) laws and regulations.
- **Private Non-Profit Certification** This form is signed by the Executive Director of the Community Action Agency when said agency agrees to be the Sponsor for a nonprofit organization or the independent nonprofit itself. The signing entity agrees to follow federal regulations
- Certification of Local Government Approval for Nonprofit Organizations This form is signed by the Chief Elected Official of the city/town in which the Homeless Assistance program activities are being provided. The local government approves of the services being provided in their city/town.
- **Applicant Assurances** This is signed by the Applicant. The Applicant agrees that Homeless individuals will receive an appropriate level of service and will be given opportunities to participate in policy making decisions regarding shelter and services provided.
- **Program Certifications** This is signed by the Applicant. The Applicant agrees to comply with having policies relating to the State's Consolidated Plan, Confidentiality, Discharge Planning, Affirmatively Further Fair Housing and HMIS.
- Certification of Consistency with Consolidated Plan HUD 2991 This form is signed by the Certifying Official at ODOC. Do not wait until the last minute to obtain this signature, as it takes 3-5

business days to process. The Certifying Jurisdiction agrees that the Applicant's program is consistent with the jurisdiction's Consolidated Plan.

- **J. Drug-Free Workplace Requirements** The Drug-Free Workplace Act of 1988 (41 U.S.C. 701, et seq.) and HUD's implementing regulations as applied to ESG.
- Lead-Based Paint Requirements The Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4801 et seq.), as amended by the Residential Lead-Based Paint Hazard Reduction Act of 1992 (42 U.S.C. 4851 et seq.) and implementing regulations at 24 CFR part 35, subparts A, B, M, and R shall apply to housing occupied by families receiving assistance through ESG.
- **Anti-Lobbying Certification** This is signed by the Applicant. The Applicant agrees that no Federally appropriated funds will be used for lobbying activities.
- Request for Release of Funds and Certification This is signed by the Applicant. The Applicant submits all forms necessary for Environmental Review compliance or states exemption status for Environmental Review process.
- Applicant/Recipient Disclosure/Update Report This form is signed by the Applicant. The applicant must disclose if they are receiving, or expect to receive, assistance from other HUD Programs that are subject to the disclosure requirements of Subpart C of 24 CFR Part 12.
- Continuum of Care Lead Agency Participation letter This is provided by the Continuum of Care Lead Agency. The letter must include that the shelter is a member of the Continuum of Care, the level of participation in the HMIS or comparable data collection database, level of participation during the Annual Point-in-Time Survey Count and any Continuum of Care committees or related participation.

## **Audit Requirement**

All audits of prior awards from ODOC/CD must be in accordance with ODOC Audit Policies and Procedures Manual.

Per ODOC's Audit Policies and Procedures Manual, <u>Oklahoma Administrative Code Title 150 Chapter 1</u> <u>Subchapter 21</u> establishes the policy and procedures for the audit of state and federal funds administered by ODOC.

- 1. If a private non-profit subrecipient has an annual income of \$50,000 or more (no longer \$25,000) during a fiscal year, it is required by Oklahoma State Statute to have an audit prepared. When such funds are awarded through ODOC, a report also needs to be submitted to ODOC.
- 2. If a private non-profit subrecipient expends a total of \$750,000 or more in Federal awards during the fiscal year, a Single Entity Audit or program specific audit in accordance with the provisions of <u>2 CFR part 200.500-521</u> needs to be conducted. When such funds are awarded through ODOC, a report also needs to be submitted to ODOC.
- 3. Audit requirements for sponsors that are units of general local governments (UGLGs):
  - a. An UGLG (city, town, or municipality) with an annual income of \$50,000 or more (no longer \$25,000) must complete an annual audit (<u>HB1058</u>) unless otherwise required by a stricter regulation.
  - b. If the revenue of an UGLG that is a city, town, or municipality is \$50,000 or more (no longer \$25,000), but its population is less than 2,500, it has the option to request a biennial agreed-upon-procedures engagement, which would be prescribed by the State Auditor and Inspector and developed in collaboration with a representative from an organization representing municipal governments, a representative from an organization that advises municipal clerks and treasurers and a certified public accountant (HB1058 which repeals 11 O.S. 17-108). This is allowed unless otherwise required by a stricter regulation.
  - c. An UGLG that is a county must have the Oklahoma State Auditor and Inspector complete their audit at least every two years. [19 OK Stat § 19-171 (2021)]

Audit reports must be submitted to ODOC within thirty (30) days of completion of report but no later than nine (9) months after the end of the subrecipient's fiscal year.

If the audit has not been submitted or the audit is not closed prior to the release of funds, then subrecipient may be unable to draw funds unless a good cause is shown and approved by ODOC/CD.

Match is a contractual requirement on ESG and must be reported in the audit for both revenue and expenditures. Here are two examples:

- 1. Note with an asterisk or a number/letter on the financials for both revenues and expenditures. At the bottom of that audit page the explanation would include that this amount includes the match of \$ as required for contract number.
- 2. Add a Note to the financial statements that states the match of \$\_\_\_\_\_ as required in the contract for contract number was met.

#### **Client Confidentiality**

All ESG recipients must develop and implement procedures to ensure:

- 1. The confidentiality of records pertaining to any individual provided with assistance; and
- 2. That the address or location of any assisted housing will not be made public, except to the extent that this prohibition contradicts a preexisting privacy policy of the grantee.

#### Language Access

The ESG Program assists many beneficiaries throughout the state of Oklahoma, but many eligible Limited English Proficient (LEP) persons are challenged with accessing this program and services because of linguistic barriers. Due to the many LEP individuals in Oklahoma, the ESG program will follow ODOC's Language Access Plan (LAP) to ensure equitable access to federally funded programs for all linguistic groups within the state in compliance with Title VI of the Civil Rights Act and Executive Order 13166. Title VI requires that recipients of federal funds, such as ODOC/CD and its subrecipients, take reasonable steps to ensure equal access to federally funded programs, projects, and activities.

Based on the Four Factor Analysis described in ODOC's LAP, all ESG subrecipients throughout the state will be required to offer the ESG vital documents, which includes all documents ESG program participants must complete to qualify for and receive ESG services (and subrecipients are required to keep in the client file), translated into Spanish. Subrecipients within Payne and Cleveland counties are required to offer ESG vital documents in Chinese, while subrecipients within Canadian and Cleveland counties are required to offer ESG vital documents in Vietnamese.

ODOC will standardize the ESG vital documents (client file forms) and translate them into Spanish, Chinese, and Vietnamese through a procured contractor so that ODOC ESG subrecipients are able to provide them when required.

ODOC may take some subrecipient administration funds to pay for the translation services.

#### **Performance**

ODOC reserves the right to recapture Emergency Solution Grant funds under the following circumstances:

- o Failure to obligate and spend within the time periods as specified:
  - o Fifty percent (50%) of awarded funds must be spent by the first six (6) months of the contract; seventy-five percent (75%) must be spent within nine (9) months of the contract.
- o Failure, without approved modification, to implement the project as set forth in the approved ESG grant application.
- o Failure to meet the specified performance measures.
- o Failure to meet threshold responsibilities during the contract period.

#### **Application Procedures, Submission and Selection Requirements:**

#### **Continuum of Care Scoring Process:**

1. After applications are submitted into OKGrants, volunteers whose names have been submitted from each CoC (according to the timeframe outlined in the Timetable) will receive training through a Webinar training to become a Reviewer. Reviewers will be trained how to use the ESG

- Scoring tool and shown how to enter scores into OKGrants. Reviewers will then be given a login to OKGrants and additional instructions to score their assigned applications online.
- 2. There will be three (3) Reviewers assigned to every eligible application. The two (2) highest scores will be averaged for the CoC Governing Board to use to make final funding recommendations.
- 3. Reviewers will be given a deadline to score applications.
- 4. Once the applications have been scored, the CoC Lead agency will submit a letter to ODOC listing the applicants that are being recommended for funds and the dollar amount being awarded equaling the dollar amount allocated to the CoC.
- 5. ODOC will then conduct a Pre-Award Risk Assessment. The results of this survey will determine if an applicant is a Low, Medium or High Risk and will help determine any additional special conditions that will be added to the Applicant's contract. First time applicants that are awarded funds will be automatically scored as a "High Risk" and will have special conditions added to their contract, including additional Technical Assistance, monitoring and submitted source documentation with every expense report.
- 6. ODOC will either approve the CoC's recommendation for funds or amend/refuse funding to applicants for, but not limited to:
  - a. Receiving less than 50% of the total points available for the application from at least one (1) of the three (3) application reviewers,
  - b. Scoring 100 or more on an ESG Risk Assessment (Scores of 0-29 is Low Risk, 30-59 is Medium Risk, and 60 and above is High Risk),
  - c. Receiving a High Risk assessment score more than two consecutive ESG funding years in a row (not including the first application year),
  - d. Not meeting all ESG threshold requirements, and/or
  - e. Requesting ineligible expenses in their budget not found by the Reviewers.
- 7. ODOC will send award letters to subrecipients with final instructions regarding how contracts are initiated in OKGrants.

#### **Application Workshop**

A mandatory application workshop will be scheduled and held at least a week before the application opens in OKGrants. Attendance will be mandatory for all organizations planning on applying for an ODOC ESG Program year. After the Application is made available in OKGrants, only questions of a clarifying nature will be answered after the workshop has been held. ODOC will not answer any questions regarding the Emergency Solutions program or provide technical assistance during the application process.

#### **Verification and On-site Visits**

The Oklahoma Department of Commerce/Community Development reserves the right to verify information and documentation received as part of the ESG application. An on-site visit may be scheduled by ODOC to conduct an observation of the facility where the proposed ESG project will be carried out. On site observations of shelter facilities will receive no more than 24-hour notice via telephone. A representative from both the shelter and the sponsor must be available during the visit. If a site visit is warranted, all CDC, Department of Commerce and Shelter policies in regard to masks and social distancing will be followed to ensure health and safety of all involved.

#### **Program Application Guidelines and Submission Requirements**

All grant applications must be submitted electronically through the ODOC OKGrants Grant Management System:

https://grants.ok.gov/

OKGrants instructions can be found on the OKGrants Resource Page and in the OKGrants Subgrantee User Manual.

In the instance of a private non-profit, unit of general local government, or CAA applying on behalf of more than one shelter, separate applications must be submitted for each shelter. Applicants may present multiple funding requests in a single application (e.g., HMIS, Shelter, Rapid Re-Housing, Prevention, Outreach).

# **FY 2024 Emergency Solutions Grant Checklist (Form Online in OK Grants)**

To be considered for ESG funds, an application must contain the items detailed below:

OK	Grants Section
	Application Summary
	Fill this section out completely.
	Include all counties where ESG funds will be used, if more than one county.
	Ensure signature is the OKGrants Authorized Official.
	Ensure grant dates are correct: October 1, 2024 – September 30, 2025
	Project Narrative Exhibits (Responses to Section I through Section V below)
	Enter detailed explanations of programs on this page.
	Must align with Budget Detail and Budget Narrative.
	Demographics Comparison Report, Data Quality Report for last 12 months, Letters relating to match,
	and CoC Agreement for HMIS Data Entry must be uploaded in the appropriate answers on this
	page.
	Risk Assessment questions must all be answered.
	Budget Detail
	Must be in line with Project Narrative and Budget Narrative.
	Match does not have to equal 'ESG Requested Funds' per line item, though the Match total
	must equal the 'ESG Requested Funds' total. For example, if \$10,000 in ESG funds is budgeted for
	HMIS, it is not necessary to budget \$10,000 in data collection funds from another source to use as
	match.
	Budget Narrative
	Must be in line with Project Narrative and Budget Detail.
	Audit
	Most recent audit must be uploaded to this section.
	If most recent audit is not complete, provide a document (letter) from agency auditor stating when
	expected completion and upload to ESG24 application will be.
	NOTE: Funding could be held up if most recent audit is not received.
	Match Certification Form
	Match funds must equal ESG grant amount awarded.
	This same match supporting documentation should also uploaded in the Project Narrative
	Exhibits. DO NOT upload this information in the Uploads section.
	Date of availability of match funds must coincide with ESG24 funding dates and match
	documentation should clearly provide dates and amounts.
ΩL	Cuanta Unloada Saatian List of Farms that must be Unloaded to this Section
	Grants Uploads Section – List of Forms that must be Uploaded to this Section
_	Program Certifications and Assurances, which includes:  ☐ Section I. Applicant Assurances
	☐ Section II. Program Certifications
	☐ Section III. Drug-Free Workplace
	☐ Section IV. Anti-Lobbying Certification
	Applicant/Recipient Disclosure/Update Report
	Certification of Consistency with Consolidated Plan HUD 2991 (signed by ODOC's Director of
	Community Development)
	Environmental Review Record for Exemptions/Release of Funds
	Continuum of Care Agreement for HMIS Data Entry (same agreement was also uploaded to Project
	Narrative Exhibits)
	☐ Victim Service Providers using a comparable database should upload the agreement with the
	comparable database provider (i.e., EmpowerDB agreement between agency and EmpowerDB).
	Continuum of Care Lead Agency Participation letter

System for Award Management (sam.gov) PDF Search Verification of Non-Debarred Status, UEI#,
and date of expiration
☐ Current Board Roster including email addresses for each Board member
☐ Documentation showing proof of Annual Board Review of ESG Written Policies and Procedures
☐ Sponsor/Shelter agreement (for applicants who are sponsoring shelters)
☐ Shelter Habitability Standards Checklist
☐ Shelter Lead-Based Paint Checklist
Required forms for Units of General Local Government  Local Government Certification  Or-
Required forms for Community Action Agency (CAA) or Independent Nonprofit
Private Non-Profit Certification
☐ Certification of Local Government Approval for Nonprofit Organizations
All new applicants, or returning applicants who have changed addresses, contact personnel, and/or banking/financial updates, must complete and upload the following:  W-9 (found at https://www.irs.gov/pub/irs-pdf/fw9.pdf)  OMES Vendor/Payee form

NOTE: If uploading a document to a space in the uploads section that is not prelabeled, PLEASE use the space provided to label the document.

# Section I – V Questions (Answers to be entered into OKGrants Project Narrative Exhibits Page)

Projects will be evaluated by a point system scoring each category of the narrative and taking into consideration the overall quality of the application and information collected during on-site reviews. In the Narrative Exhibit Section (In OKGrants), please provide as much thorough information as possible. If ESG funds are not being requested for a particular activity, the applicant should describe how they still do that activity or partner with others to do so.

Section I Community Needs (15 Pts)			
Description	Question		
I-1) The applicant has a targeted and clearly demonstrated need. The applicant's services will make a significant impact on the community in alleviating homelessness. The applicant is knowledgeable of the level of need in the community and provides local data to document who is being served and potential projections for those that may need to be served in the community.	I-1) Describe the need for homeless assistance services in your area  o Include where "proof of need" data was collected.		
I-2) The Applicant's response must clearly describe how their staff/volunteers participated in the annual Point-in-time (PIT) Count. The results from the PIT must be included and applicant must also describe how they use collected number to make decisions for their program(s).	I-2) Describe Applicants participation in Annual Point-in- time Count. Explain the numbers collected by the applicant and how the applicant uses the PIT results to change program priorities or services.		
Section II Proposed U	Section II Proposed Use of Funds (50 pts)		
Description	Question		
<ul> <li>II-1) Each applicant must provide one of two Shelter options:</li> <li>1) In communities where no appropriate emergency shelter is available, written agreements or a voucher system may be implemented to pay for hotel or motel costs for the family or individual, or a written agreement with a partnering organization that does have a shelter facility within reasonable distance of the applicant; or</li> <li>2) Applicant has an Emergency Shelter facility designed to provide temporary shelter for individuals and/or families lacking a fixed, regular, and adequate nighttime residence. Local policy shall determine length of stay in the shelter.</li> </ul>	<ul> <li>II-1) Describe the organization's Emergency Shelter Component. Include details such as: <ul> <li>How shelter remains accessible/open to meet the 24/7/365 accessibility requirement</li> <li>The maximum length of stay</li> <li>Description and explanation of any fees for services that the shelter charges</li> <li>Essential services to persons in emergency shelters</li> <li>Emergency shelter operating costs</li> <li>Staff costs related to carrying out emergency shelter activities are also eligible</li> </ul> </li> </ul>		

II-2) Applicant describes a well-defined Outreach program II-2) Describe the organization's Street Outreach Services. independent from their Shelter services. A Street Outreach program cannot be one where the potential client is coming to any of the Shelter's facilities (i.e., Soup kitchen or Day Center). Services are provided to eligible participants on the street or in parks, abandoned buildings, bus stations, campgrounds, and in other such settings where unsheltered persons are staying. Staff salaries related to carrying out street outreach activities are also eligible. There are several different ways Street Outreach can be done and agencies do not always go to the 'streets' to outreach to those in need. For example, youth shelters may provide outreach services to a young person by going to the school of that youth when they are called by school administrators. Domestic Violence (DV) agencies may go to other places those experiencing DV flee (hospitals, police departments, friend's houses, etc.) to provide outreach services. Some DV agencies may not even do street outreach given confidentiality requirements and the nature of DV such as the safety of those fleeing it. Applicants are not required to provide Outreach services or to use ESG funds to do so. The point of this question is to understand the overall services an agency provides even if they are not using ESG funds to provide those services. II-3) Thorough description of how Rapid Rehousing and/or II-3) Describe how clients access requested Rapid Prevention funds can be accessed and how client's program Rehousing/Prevention Services, including what eligibility is determined as well as indication of what documentation is collected/verified regarding the client's documentation is collected/verified. Applicant may have included program eligibility and how housing is selected. a plan relating to short-term and medium-term assistance. Depending on the needs of the community and the funding needs of the applicant, the applicant is not required to provide both Rapid Rehousing and Prevention assistance or to use ESG funds to do so. The applicant does not need to provide all activities listed to receive full points but must provide at least RRH or Prevention II-4) Proposed case management services are well described II-4) Describe what level of case management clients and easily relate to the needs of the clients' applicants intend receive at the agency. to serve with ESG funds (Outreach, Shelter, Rapid Identify the person(s) responsible for carrying out case Rehousing and/or Prevention). management activities. All key positions are described in relation to program Include the qualifications of the case managers implementation and operation and the Applicant must identified in the response. include qualifications required of case managers. II-5) Applicant must describe some level of external training II-5) Describe the training ESG staff receives to improve provided for case management/ housing assistance staff quality of service for the program participants approved for members. SOAR should be mentioned for all staff that shelter/housing assistance. Whom in the received the training. organization/shelter has received the following training: SOAR, ADA compliance training, Housing first, trauma informed care, evidenced-based case management practices, racial equity, etc.

II-6) Response should include a brief description about appropriate policies and protocols for the discharge of persons from applicant's ESG Shelter, Outreach, RRH, and/or Prevention programs. Policies and protocols should also include how agency is working/will work with their CoC, partner agencies, and publicly funded institutions or systems of care (such as health care facilities, foster care or other youth facilities, or correction programs and institutions) to prevent such discharge from immediately resulting in homelessness for such persons.

II-6) Describe the agency's Participant Discharge Plan from agency homeless services programs to prevent the discharge of persons into homelessness. The Discharge Plan should also include how the agency is working/will work with CoC, partner agencies, and publicly funded institutions or systems of care to prevent the discharge of persons into homelessness.

II-7) Equity refers to proportional representation (by race, class, gender, etc.) of opportunities in housing, healthcare, employment, and all indicators of living a healthy life.

II-7) Describe the agency's process and status in gathering data and developing a plan to improve racial equity within the services provided to the community.

Response should include description of the following: Advancing Equity through Homeless Response Inclusion: To what extent are the diverse identities and perspectives of Black, Indigenous and people of color included in this decision-making process that will impact their lives? Data (quantitative and qualitative): To what extent do you know who is most impacted beyond who currently presents at the front door(s)?

Strategies: To what extent do the strategies (programs and

policies) meet the needs of those impacted and does not cause harm?

Impact: To what extent do you seek out the unintended harm and creation of new margins through policies and program requirements?

Evaluation: To what extent do you use disaggregated data and feedback from those with lived experience to monitor the impact that your decision, policy, or program has on each population.

Accountability: To what extent have you built gathering input, advice and recommendations on an on-going basis into the homeless response system?

Applicant must upload completed Demographics Comparison Report. Missing or incomplete reports will not be given full available points.

Complete Demographics Comparison Report and upload in available space below response for II-7 on Projects Narrative Exhibit form in OKGrants.

Section III Performance Measures (30 Pts)			
Description	Questions		
III-1) Performance measures of the program, whether local or State, are clearly identified and applicant has described a clear plan for achieving those goals. Goals are quantitative, realistic and appear well thought out in relation to the services identified in the application narrative.  At least 2 out of the 4 State Performance Measures must be tracked. The applicant is not required to set an estimate for services they do not provide. For example, if an applicant does not provide prevention services, then they do not have to provide the number of persons in Homeless Prevention exiting to permanent housing.	<ul> <li>III-1) List local Performance Measures and Outcome Goals, if applicable. List State Performance Measures and Outcome Goals. At least 2 out of the 4 State Performance Measures must be tracked. Outcome goals must be quantitative (as percentages or numbers) and for a 12- month period – preferably during the ESG program year.  Describe a clear plan for achieving the goals listed. Refer to the Performance Measures section of the application for more guidance.  1) Number of persons that exit ESG programs that are not Homeless Prevention into permanent housing. Outcome:  2) Number of persons in Homeless Prevention exiting to permanent housing. Outcome:  3) Total number of persons served. Outcome:  4) Total number of persons with income at exit or end of grant year. Outcome:</li> </ul>		
II-2) It is acceptable that the applicant has local performance measures or goals that are different from the State performance measures. In this case, the applicant must explain how accomplishing their local goals or performance measures will overall help achieve the State Performance measures.  III-3) Applicant must upload separate CAPERs from each project in which ESG funds were expended (Shelter, Outreach, RRH, Prevention). Scores/percentages/error rates more than 5% (found on the CAPER question 6) should not be given full available points. If the applicant has never applied for ESG before and never entered into HMIS, they have no report to upload and should not receive less points.	III-2) How will achieving the local performance measures help achieve the State Performance Measures?  III-3) How will the data be collected? Include HMIS or comparable database CAPER from each project in which ESG funds were expended (Shelter, Outreach, RRH, Prevention) for the last 12 months.  Upload separate CAPERs for last 12 months in available spaces below response for III-3 on Projects Narrative Exhibit form in OKGrants.  NOTE: Each time a CAPER is uploaded and saved, an additional upload line will be provided.		

Section IV Community and Local Government Commitment (5 Pts)			
Description	Questions		
IV-1) The match sources/amounts listed and the uploaded supporting documentation must correspond with the total listed on Match/Additional Funds Form in OK Grants.  Match documentation must be provided to show as much of the ESG24 program year (October 1, 2024-September 30, 2025) as possible is covered.  Points will be taken away if source documentation is not provided. However, if match documentation for that timeframe has not yet been provided (since State and Federal grant award letters might not even be available for the ESG24 program year before the application submittal date of May 31, 2024), the applicant may provide current award letters that may be outside of the ESG24 program year as examples of the match that will probably be provided during the ESG24 grant. Approved applicants will be required to provide updated documentation in September-October, if necessary, before contract execution.	<ul> <li>IV-1) List match source and amounts that will be provided to match 100% of the ESG funds from October 1, 2024 through September 30, 2025. Source documentation showing match funding sources/amounts must be on the letterhead of the organization's providing the match and uploaded in the space provided under response IV-2 of the Projects Narrative Exhibits form in OKGrants. The same letters will also need to be uploaded in the Match Certification page in OKGrants.</li> <li>Eligible forms of match include but are not limited to: <ul> <li>Volunteer time (must be valued at rates consistent with those ordinarily paid for similar work in the recipient's or subrecipient's organization).</li> <li>The value of volunteers providing professional services such as medical or legal services valued at the reasonable and customary rate in the community.</li> <li>The value of any donated goods, material or building.</li> <li>The value of any building lease using a method to reasonably calculate fair market value. (Can only be used as ESG match once.)</li> <li>The value of salary paid to staff to carry out the ESG Program.</li> <li>Cash awards from foundations, organizations, private individuals, and other government sources.</li> </ul> </li> </ul>		
IV-2) Maximum points should be awarded to the organizations that can prove their community is involved and have obtained multiple resources to provide for the needs of their clients.	IV-2) Describe how community and local government support (in-kind or cash contributions) is received and how these contributions benefit the proposed program.		

Section V Continuum of Care Requirements (50 Pts)			
Description	Questions		
V-1) The applicant should provide a description of how their services fit in with the performance measures, action plan and/or mission of their local Continuum.	V-1) Explain how services proposed fit into the local CoC's Action Plan to end homelessness? If exempt from using HMIS, describe how method for collecting data is comparable to HMIS.		
	Upload CoC Agreement for HMIS Data Entry in space below V-1 in Projects Narrative Exhibit Form in OKGrants. Victim Service Providers using a comparable database should upload the agreement with the comparable database provider (i.e., EmpowerDB agreement between agency and EmpowerDB). The same agreement will also need to be uploaded in the Uploads section of the Application in OKGrants.		
V-2) Applicant describes the organization's participation in the CoC's Coordinated Intake Process required by HUD. The description must provide enough detail that the reviewer has a clear understanding of the Coordinated process and the applicant's involvement in the process.	V-2) Describe the Organization's involvement in the CoC's Coordinated Entry Process required by HUD. Explain what and how priorities were changed to accommodate the updated HUD guidance.		
V-3) Mainstream services and the process by which clients are connected to those services is thoroughly described and appears feasible. Mainstream services include SSI/SSDI, TANF, Food Stamps, services through DHS, OJA, etc.; services that are mainly provided through Federal or State funding. The Applicant can also mention how they work with local law enforcement, hospitals and mental health facilities regarding discharge planning	V-3) Describe the mainstream services available in your area and the process for connecting clients to these services.		
V-4) The applicant should include names of specific organizations they partner and describe how services are delegated to prevent duplication of services/benefits. This is where local partners can be mentioned.	V-4) What agencies in your area do you collaborate with to provide better care for your clients and to prevent duplication of services?		
This is also the section where the applicant mentions local partners; such as local churches, Rotary, AMBUCS, Lion's Club, local clinics and mental health facilities that provide services and partnerships to provide better services to clients.	A duplication of benefits/services occurs when a person, household, business, government, or other entity receives financial assistance from multiple sources for the same purpose, and the total assistance received for that purpose is more than the total need for assistance.		
V-5) The organization must provide for the participation of not less than one homeless individual or formerly homeless individual on the board of directors or other equivalent policymaking entity of the recipient, to the extent that the entity considers and makes policies and decisions regarding any facilities, services, or other assistance that receive funding under Emergency Solutions Grant (ESG).	V-5) Describe how homeless and/or formerly homeless persons participate in the operations, planning, development, and/or policy making at your agency.		

Do not forget to fill out the Section VI. Risk Assessment questions in OKGrants. They will not be used in scoring the application, but they will be used by ODOC staff before contract execution.

#### **HUD Programs Subject to the Disclosure Requirements**

Please read before filling out the Applicant/Recipient Disclosure/Update Report

Following is a list of all the HUD Programs that are subject to the disclosure requirements of Subpart C of 24 CFR Part 12. All applicants for Emergency Solutions Grant assistance must review this list to determine if they are receiving, or expect to receive, assistance from other covered programs. Applicants must consider HUD funds that are received either directly from HUD or through the State.

It is the total amount of funds received from all the below sources that the applicant uses to answer the second question of Part II of the Disclosure Report.

- Section 312 Rehabilitation Loans under 24 CFR Part 510, except loans for single-family properties.
- Applications for grant amounts for a specific project or activity under the Rental Rehabilitation Grant Program under 24 CFR Part 511 made to:
  - o A State grantee under Subpart F;
  - o A unit of general local government or consortium of units of general local government or a consortium of units of general local government receiving funds from a State or directly from HUD whether or not by formula under Subparts D, F, and G; and
  - o HUD, for technical assistance under § 511.3.
  - o (Excludes formula distributions to States, units of general local government, or consortia of units of general local government under Subparts D and G, within-year reallocations under Subpart D, and the HUD-administered Small Cities Program under Subpart F.)
- Applications for grant amounts for a specific project or activity under Title I of the Housing and Community Development Act of 1974 made to:
  - o HUD, for a Special Purpose Grant under Section 105 of the Department of Housing and Urban Development Reform Act of 1989 for technical assistance, the Work Study Program or Historically Black colleges;
  - o HUD, for a loan guarantee under 24 CFR Part 470, Subpart M;
  - o HUD, for a grant to an Indian tribe under Title I of the Housing and Community Development Act of 1974;
  - o HUD, for a grant under the HUD-administered Small Cities Program under CFR Part 570, Subpart F; and
  - o A State or unit of general local government under 24 CFR Part 570.
- Applications for grant amounts for a specific project or activity under the Emergency Shelter Grant Program under 24 CFR Part 576 made to a State or to a unit of general local government, including a Territory.
  - o (Excludes formula distributions to States and units of general local government [including Territories]; reallocations to States, units of general local government [including Territories] and non-profit organizations; and applications to an entity other than HUD or a State or unit of general local government.)
- Transitional Housing under 24 CFR Part 577.
- Permanent Housing for Handicapped Homeless Persons under 24 CFR Part 578.
- Section 8 Housing Assistance Payments (only project-based housing under the Existing Housing and Moderate Rehabilitation programs under 24 CFR Part 882, including the Moderate Rehabilitation Program for Single Room Occupancy Dwellings for the Homeless under Subpart H).
- Section 8 Housing Assistance Payments for Housing for the Elderly or Handicapped under 24 CFR Part 885.
- Loans for Housing for the Elderly or Handicapped under Section 202 of the Housing Act of 1959 (including operating assistance for Housing for the Handicapped under Section 162 of the Housing and Community Development Act of 1987 and Seed Money Loans under Section 106(b) of the Housing and Urban Development Act of 1968).
- Section 8 Housing Assistance Payments Special Allocations under 24 CFR Part 886.

- Flexible Subsidy under 24 CFR Part 219 both Operating Assistance under Subpart B and Capital Improvement Loans under Subpart C.
- Low-Rent Housing Opportunities under 24 CFR Part 904.
- Indian Housing under 24 CFR Part 905.
- Public Housing Development under 24 CFR Part 941.
- Comprehensive Improvement Assistance under 24 CFR Part 968.
- Resident Management under 24 CFR Part 964, Subpart C.
- Neighborhood Development Demonstration under Section 123 of the Housing and Urban-Rural Recovery Act of 1983.
- Nehemiah Grants under 24 CFR Part 280.
- Research and Technology Grants under Title V of the Housing and Urban Development Act of 1970.
- Congregate Services under the Congregate Housing Services Act of 1978.
- Counseling under Section 106 of the Housing and Urban Development Act of 1968.
- Fair Housing Initiatives under 24 CFR Part 125.
- Public Housing Drug Elimination Grants under Section 5129 of the Anti-Drug Abuse Act of 1988.
- Fair Housing Assistance under 24 CFR Part 111.
- Public Housing Early Childhood Development Grants under Section 222 of the Housing and Urban-Rural Recovery Act of 1983.
- Mortgage Insurance under 24 CFR Subtitle B, Chapter II (only multi-family and non-residential).
- Supplemental Assistance for Facilities to Assist the Homeless under 24 CFR Part 579.
- Shelter Plus Care Assistance under Section 837 of the Cranston-Gonzalez National Affordable Housing Act.
- Planning and Implementation Grants for HOPE for Public and Indian Housing Homeownership under Title IV, Subtitle A, of the Cranston-Gonzalez National Affordable Housing act.
- Planning and Implementation Grants for HOPE for Homeownership of Multi-family Units under Title IV, Subtitle B, of the Cranston-Gonzalez National Affordable Housing act.
- HOPE for Elderly Independence Demonstration under Section 804 of the Cranston-Gonzalez National Affordable Housing Act.

# FY 2024 Emergency Solutions Grant (ESG) Program Request for Application (RFA) - Definitions

For the purposes of this Request for Application, the following definitions will be used:

<u>Administration</u>: Units of General Local Government and/or Community Action Agencies are allowed 3.75% of the total award for administration of the ESG grant. These funds may be passed on to the shelter.

#### At risk of homelessness:

- 1) An individual or family who:
  - a. Has an annual income below 30 percent of median family income for the area, as determined by HUD:
  - b. Does not have sufficient resources or support networks, e.g., family, friends, faith-based or other social networks, immediately available to prevent them from moving to an emergency shelter or another place described in paragraph (1) of the "homeless" definition in this section; and
  - c. Meets one of the following conditions:
    - i. Has moved because of economic reasons two or more times during the 60 days immediately preceding the application for homelessness prevention assistance;
    - ii. Is living in the home of another because of economic hardship;
    - iii. Has been notified in writing that their right to occupy their current housing or living situation will be terminated within 14days after the date of application for assistance;
    - iv. Lives in a hotel or motel and the cost of the hotel or motel stay is not paid by charitable organizations or by Federal, State, or local government programs for low-income individuals;
    - v. Lives in a single-room occupancy or efficiency apartment unit in which there reside more than two persons or lives in a larger housing unit in which there reside more than 1.5 persons reside per room, as defined by the U.S. Census Bureau;
    - vi. Is exiting a publicly funded institution, or system of care (such as a health-care facility, a mental health facility, foster care or other youth facility, or correction program or institution); or
    - vii. Otherwise lives in housing that has characteristics associated with instability and an increased risk of homelessness, as identified in the recipient's approved consolidated plan;
- 2) A child or youth who does not qualify as "homeless" under this section, but qualifies as "homeless" under section 387(3) of the Runaway and Homeless Youth Act (42 U.S.C. 5732a(3)), section 637(11) of the Head Start Act (42 U.S.C. 9832(11)), section 41403(6) of the Violence Against Women Act of 1994 (42 U.S.C. 14043e-2(6)), section 330(h)(5)(A) of the Public Health Service Act (42 U.S.C. 254b(h)(5)(A)), section 3(m) of the Food and Nutrition Act of 2008 (7 U.S.C. 2012(m)), or section 17(b)(15) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(b)(15)); or
- 3) A child or youth who does not qualify as "homeless" under this section but qualifies as "homeless" under section 725(2) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a(2)), and the parent(s) or guardian(s) of that child or youth if living with her or him.

#### **Chronically Homeless:**

- 1) A homeless individual with a disability as defined in section 401(9) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11360(9)), who:
  - a. Lives in a place not meant for human habitation, a safe haven, or in an emergency shelter; and
  - b. Has been homeless and living as described continuously for at least 12 months without a break in homelessness (a "break" in homeless is considered to be 7 or more nights) or on at least 4 separate occasions in the last 3 years, as long as the combined occasions equal at least 12 months

and each break in homelessness separating the occasions included at least 7 consecutive nights of not living as described.

- 2) An individual who has been residing in an institutional care facility, including a jail, substance abuse or mental health treatment facility, hospital, or other similar facility, for fewer than 90 days and met all of the criteria of this definition, before entering that facility (an individual residing in an institutional care facility does not constitute a break in homelessness); or
- 3) A family with an adult head of household (or if there is no adult in the family, a minor head of household) who meets all of the criteria of this definition, including a family whose composition has fluctuated while the head of household has been homeless.

<u>Consolidated plan</u>: A plan prepared in accordance with 24 CFR part 91. An <u>approved consolidated plan</u> means a consolidated plan that has been approved by HUD in accordance with 24 CFR part 91.

Continuum of Care: The group composed of representatives of relevant organizations, which generally includes nonprofit homeless providers; victim service providers; faith-based organizations; governments; businesses; advocates; public housing agencies; school districts; social service providers; mental health agencies; hospitals; universities; affordable housing developers; law enforcement; organizations that serve homeless and formerly homeless veterans, and homeless and formerly homeless persons that are organized to plan for and provide, as necessary, a system of outreach, engagement, and assessment; emergency shelter; rapid re-housing; transitional housing; permanent housing; and prevention strategies to address the various needs of homeless persons and persons at risk of homelessness for a specific geographic area.

<u>Co-Occurring Disorder</u>: Persons who have a diagnosis of mental illness and a diagnosis of substance abuse, HIV/AIDS, or other health condition.

<u>Debarment</u>: Debarment is the state of being excluded from certain possessions, rights, privileges, or practices and the act of prevention by legal means. For example, companies can be debarred from contracts due to allegations of fraud, mismanagement, and similar improprieties.

<u>Developmental Disability</u>: As defined in section 102 of the Developmental Disabilities Assistance and Bill of Rights Act of 2000 (42 U.S.C. 15002):

- 1) A severe, chronic disability of an individual that
  - a. Is attributable to a mental or physical impairment or combination of mental and physical impairments;
  - b. Is manifested before the individual attains age 22;
  - c. Is likely to continue indefinitely;
  - d. Results in substantial functional limitations in three or more of the following areas of major life activity:
    - i. Self-care;
    - ii. Receptive and expressive language;
    - iii. Learning:
    - iv. Mobility;
    - v. Self-direction;
  - e. Capacity for independent living;
  - f. Economic self-sufficiency; and
  - g. Reflects the individual's need for a combination and sequence of special, interdisciplinary, or generic services, individualized supports, or other forms of assistance that are of lifelong or extended duration and are individually planned and coordinated.
- 2) An individual from birth to age 9, inclusive, who has a substantial developmental delay or specific congenital or acquired condition, may be considered to have a developmental disability without meeting three or more of the criteria described in paragraphs (1)(i) through (v) of this definition if the individual, without services and supports, has a high probability of meeting those criteria later in life.

<u>Duplication of Benefits</u>: A duplication of benefits occurs when a person, household, business, government, or other entity receives financial assistance from multiple sources for the same purpose, and the total assistance received for that purpose is more than the total need for assistance.

<u>Eligible Applicants</u>: Units of General Local Government and Community Action Agencies (CAAs). Cities of Tulsa and Oklahoma City must apply directly to HUD and are therefore excluded from the receipt of funds administered by ODOC.

Emergency shelter: Emergency Shelter is a facility designed to provide temporary housing for individuals and/or families lacking a fixed, regular, and adequate nighttime residence, and which does not require occupants to sign leases or occupancy agreements. Local policy shall determine length of stay in the shelter.

Emergency Shelter services are available to all persons or individuals who meet the definition of homeless. No person or family shall be denied shelter or services if they are a part of the sub-population to be served by the shelter and do not pose a safety risk to themselves or others. Emergency Shelter operators must have a plan in place to assist in the provision of emergency services, including clothing, food, and assistance locating other state and local services and funds. Emergency Shelters shall be available 24 hours a day and seven (7) days per week.

<u>Equipment and Furnishings</u>: Typically large, one-time expenditures essential for the continued operation of the homeless shelter. Office equipment and major furniture replacement or purchase such as beds or cots for an expanding facility, are examples of items to be budgeted under Equipment and Furnishings.

Families with Children and Youth Defined as Homeless under other Federal Statutes: This term means any children or youth that are defined as homeless under any Federal statute other than this subtitle but are not defined as "homeless" under Section 103 of Subtitle I of the McKinney-Vento Act, and shall also include the parent, parents, or guardian of such children or youth under subtitle B of title VII this Act (42 U.S.C. 11431 et seq.).

#### Homeless, homeless individual and homeless person:

- 1) An individual or family who lacks a fixed, regular, and adequate nighttime residence and is:
  - a. An individual or family with a primary nighttime residence that is a public or private place not designed for or ordinarily used as a regular sleeping accommodation for human beings, including a car, park, abandoned building, bus or train station, airport, or camping ground;
  - b. An individual or family living in a supervised publicly or privately operated shelter designated to provide temporary living arrangements (including hotels and motels paid for by Federal, State, or local government programs for low-income individuals or by charitable organizations and congregate shelters); or
  - c. An individual who is exiting an institution where he or she resided for 90 days or less and who resided in a shelter or place not meant for human habitation immediately before entering that institution:
- 2) An individual or family who will imminently lose their primary nighttime residence, provided that:
  - a. The primary nighttime residence will be lost within 14 days of the application for homeless assistance:
  - b. No subsequent residence has been identified; and
  - c. The individual or family lacks the resources or support networks needed to obtain other permanent housing;
- 3) Unaccompanied youth and homeless families with children and youth defined as homeless under other Federal statutes who do not otherwise qualify as homeless under this definition, but who:
  - a. Are defined as homeless under the other listed federal statutes:
    - i. Section 387 of the Runaway and Homeless Youth Act (42 U.S.C. 5732a), section 637 of the Head Start Act (42 U.S.C. 9832), section 41403 of the Violence Against Women Act of 1994

(42 U.S.C. 14043e-2), section 330(h) of the Public Health Service Act (42 U.S.C. 254b(h)), section 3 of the Food and Nutrition Act of 2008 (7 U.S.C. 2012), section 17(b) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(b)), or section 725 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a);

- b. Have not had a lease, ownership interest, or occupancy agreement in permanent housing at any time during the 60 days immediately preceding the application for homeless assistance;
- c. Have experienced persistent instability as measured by three moves or more during the 90-day period immediately before applying for homeless assistance; and
- d. Can be expected to continue in such status for an extended period of time because of chronic disabilities, chronic physical health or mental health conditions, substance addiction, histories of domestic violence or childhood abuse, the presence of a child or youth with a disability, or two or more barriers to employment, which include the lack of a high school degree or General Education Development (GED), illiteracy, low English proficiency, a history of incarceration, and a history of unstable employment; and
- 4) Any individual or family who:
  - a. Is experiencing trauma or a lack of safety related to, or fleeing, or is attempting to flee, domestic violence, dating violence, sexual assault, stalking, or other dangerous, traumatic, or life-threatening conditions related to the violence against the individual or a family member in the individual's or family's current housing situation, including where the health and safety of children are jeopardized;
  - b. Has no other residence; and
  - c. Lacks the resources to obtain other safe permanent housing.

Exclusion: For ESG, the term "homeless" or "homeless individual" does not include any individual imprisoned or otherwise detained pursuant to an Act of the Congress or State Law.

#### Homeless individual with a disability:

- 1) A person shall be considered to be a homeless individual with a disability if he or she has a disability that:
  - a. Is expected to be long-continuing or of indefinite duration;
  - b. Substantially impedes the individual's ability to live independently;
  - c. Could be improved by the provision of more suitable housing conditions; and
  - d. Is a physical, mental, or emotional impairment, including an impairment caused by alcohol or drug abuse, post-traumatic stress disorder, or brain injury;
- 2) A person shall also be considered to be a homeless individual with a disability if he or she has a disability that is a developmental disability, as defined in this section; or
- 3) If he or she has acquired immunodeficiency syndrome (AIDS) or any conditions arising from the etiologic agency for acquired immunodeficiency syndrome, including infection with the human immunodeficiency virus (HIV)?

<u>Homeless Management Information System (HMIS)</u>: The information system designated by the Continuum of Care to comply with the HUD's data collection, management, and reporting standards and used to collect client-level data and data on the provision of housing and services to homeless individuals and families and persons at-risk of homelessness.

Homeless Prevention: ESG funds may be used to provide housing relocation and stabilization services and short- and/or medium-term rental assistance necessary to prevent an individual or family from moving into an emergency shelter or another place described in paragraph (1) of the "homeless" definition in § 576.2. This assistance, referred to as homelessness prevention, may be provided to individuals and families who meet the criteria under the "at risk of homelessness" definition, or who meet the criteria in paragraph (2), (3), or (4) of the "homeless" definition in § 576.2 and have an annual income below 30 percent of median family income for the area, as determined by HUD. The costs of homelessness prevention are only eligible to the extent that the assistance is necessary to help the program participant regain stability in the program participant's current permanent housing or move into other

permanent housing and achieve stability in that housing. Homelessness prevention must be provided in accordance with the housing relocation and stabilization services requirements in § 576.105, the short-term and medium-term rental assistance requirements in § 576.106, and the written standards and procedures established under § 576.400.

<u>Households</u>: A single individual or group of persons who either currently live together in one dwelling unit or would live together in one dwelling unit were they able to maintain suitable housing accommodations.

HUD: U.S. Department of Housing and Urban Development.

<u>Income Eligibility</u>: A homeless individual shall be eligible for assistance under any program provided by the Stewart B. McKinney Homeless Assistance Act, or by the amendments made by this Act, only if the individual complies with the income eligibility requirements otherwise applicable to such program.

<u>Individuals</u>: Persons not accompanied by children or adult partner. Individuals can also mean the number of family members in a household.

<u>Match Funds</u>: Funds contributed to the project for the expressed purpose of implementing the eligible activities proposed in the application. Eligible match includes cash on deposit, and cash committed from other sources, as documented by bank statements, and funding award letters. Non-cash match shall be documented by timesheets, appraisals, or other sufficient documentation. Match funds must be expended during the time frame of the ESG contract. Match Funds are a contractual requirement in ESG and must be reported in the audit for both revenue and expenditures.

<u>Major Rehabilitation</u>: Rehabilitation that involves costs in excess of 75 percent of the value of the building before rehabilitation. Major rehabilitation undertaken with ESG funds must meet local government safety and sanitation standards under 24 CFR 576.55. In addition, for projects of 15 or more units where rehabilitation costs are 75 percent or more of the replacement cost of the building, that project must meet the requirements of 24 CFR 8.23(a). The facility must be used as an emergency shelter for a period of not less than ten years after the ESG contract is closed or the applicant may be required to repay grant funds.

Nonprofit Recipient: Any nonprofit organization assisting the homeless to which a Unit of General Local Government or CAA distributes ESG funds.

<u>Obligated</u>: The ESG contractor, as appropriate, has placed orders, awarded contracts, received services, or entered similar transactions that require payment from the grant amount.

<u>Operations</u>: Recurring costs incurred by a recipient operating a homeless shelter with respect to administration, rent, food for feeding the homeless, security, maintenance, utilities, fuels, and insurance for the homeless shelter.

<u>Private nonprofit organization</u>: A private nonprofit organization that is a secular or religious organization described in section 501(c) of the Internal Revenue Code of 1986 and which is exempt from taxation under subtitle A of the Code, has an accounting system and a voluntary board, and practices nondiscrimination in the provision of assistance. A private nonprofit organization does not include a governmental organization, such as a public housing agency or housing finance agency.

<u>Program income</u>: Program income includes any amount of a security or utility deposit returned to the subrecipient and shall have the meaning provided in 2 CFR 200.80. Per 24 CFR 576.201(f), costs paid by program income shall count toward meeting the subrecipient's matching requirements, provided the costs are eligible ESG costs that supplement the subrecipient's ESG program.

<u>Program participant</u>: an individual or family who is assisted under ESG program.

Program year: the consolidated program year established by the recipient under 24 CFR part 91.

<u>Project-Based Rental Assistance (PBRA)</u>: In PBRA, the subrecipient contracts for a particular unit or property and the participant then enters a lease with the landlord. If the participant moves, the PBRA stays with the unit for the next eligible participant. Program participants must reside in housing provided through a contract with the owner of an existing structure whereby the owner agrees to lease subsidized units to program participants. Program participants do not retain the rental assistance if they relocate to a unit outside the project; the subsidy remains with the project. Note - The Oklahoma Department of Commerce does not allow ESG funds to be expended on project-based rental assistance.

<u>Rapid re-housing assistance</u>: The provision of housing relocation and stabilization services and short-and/or medium-term rental assistance as necessary to help a homeless individual or family move as quickly as possible into permanent housing and achieve stability in that housing.

<u>Recipient</u>: Any State, territory, metropolitan city, or urban county, or in the case of reallocation, any unit of general-purpose local government that is approved by HUD to assume financial responsibility and enters into a grant agreement with HUD to administer assistance under this part.

Rehabilitation: Labor, materials, tools, and other costs of improving the building, including repair directed toward an accumulation of deferred maintenance; replacement of principal fixtures and components of existing buildings; installation of security devices; and improvements through alterations or incidental additions to or enhancement of existing buildings including improvements to increase the efficient use of energy. Rehabilitation includes the conversion of a building to an emergency shelter where the costs of conversion and any rehabilitation do not exceed 75 percent of the cost of the building before rehabilitation and includes structural changes necessary to make a facility accessible to persons with physical handicaps. The facility must be used as an emergency shelter for a period of not less than three years after the ESG contract is closed or the applicant may be required to repay grant funds.

<u>Subrecipient</u>: A unit of general-purpose local government or private nonprofit organization to which a recipient makes available ESG funds.

System for Award Management (SAM): A Federal Government owned and operated free web site that consolidates the capabilities in Central Contractor Registration (CCR), Online Representations and Certifications Applications (ORCA) and the Excluded Parties List System (EPLS). To receive ESG funds, a business or non-profit organization needs to be registered at sam.gov. This registration is sometimes referred to as "self-certifying" an organization with the primary database of vendors doing business with the federal government. Any organization shown as debarred in sam.gov (due to allegations of fraud, mismanagement, and similar improprieties) will not be eligible to receive ESG funds.

<u>Telework</u>: As defined in the Telework Enhancement Act of 2010: "[t]he terms 'telework' or 'teleworking' refers to a work flexibility arrangement under which an employee performs the duties and responsibilities of such employee's position, and other authorized activities, from an approved worksite other than the location from which the employee would otherwise work."

<u>Tenant-Based Rental Assistance (TBRA)</u>: In TBRA, the program participants locate housing in the private rental market and enter into a lease with the property owner. Program participants are responsible for locating housing in the private rental market. If a program participant later moves to another unit, he/she can take the rental assistance and use it in the new unit.

<u>Transitional Housing</u>: Facility-based or scattered-site temporary housing combined with essential services, with occupancy typically limited to 24 months. The applicant would administer the transitional housing activities and establish eligibility for occupants. Transitional Housing is an eligible activity under the Continuum of Care Grant funds only. Transitional housing also functions to do the following:

- 1) Assist homeless families and individuals overcome the problems/conditions that made them homeless;
- 2) Increase skills and/or income and aid in obtaining and remaining in permanent housing; and
- 3) Provide or coordinate, as required, substance abuse services, mental health services, day care, life skills training, educational services, family support, and other services.

Transitional Housing, as compared to a general shelter, implies a greater level of responsibility in that residents typically maintain their own home or apartment without 24-hour supervision, while at the same time receiving essential services from the administrators of the facility, or from a contracted service provider. These services function to teach each resident the necessary skills in order for them to move to permanent housing and independent living. Individual rehabilitation plans are also emphasized over a group treatment approach.

<u>Unaccompanied Youth</u>: Youth for the purposes of this program under the age of 25 years of age that qualify under the category for unaccompanied youth defined as homeless under other federal statutes. Youth who are in the official custody of the State, as a ward of the State, do not qualify for Emergency Solutions Grant assistance.

<u>Underserved Populations</u>: The term 'underserved populations' includes populations underserved because of geographic location, underserved racial and ethnic populations, populations underserved because of special needs (such as language barriers, disabilities, alienage status, or age), and any other population determined to be underserved by the Secretary, as appropriate.

<u>Unit of local government</u>: Any city, county, town, township, parish, village, or other general-purpose political subdivision of a State.

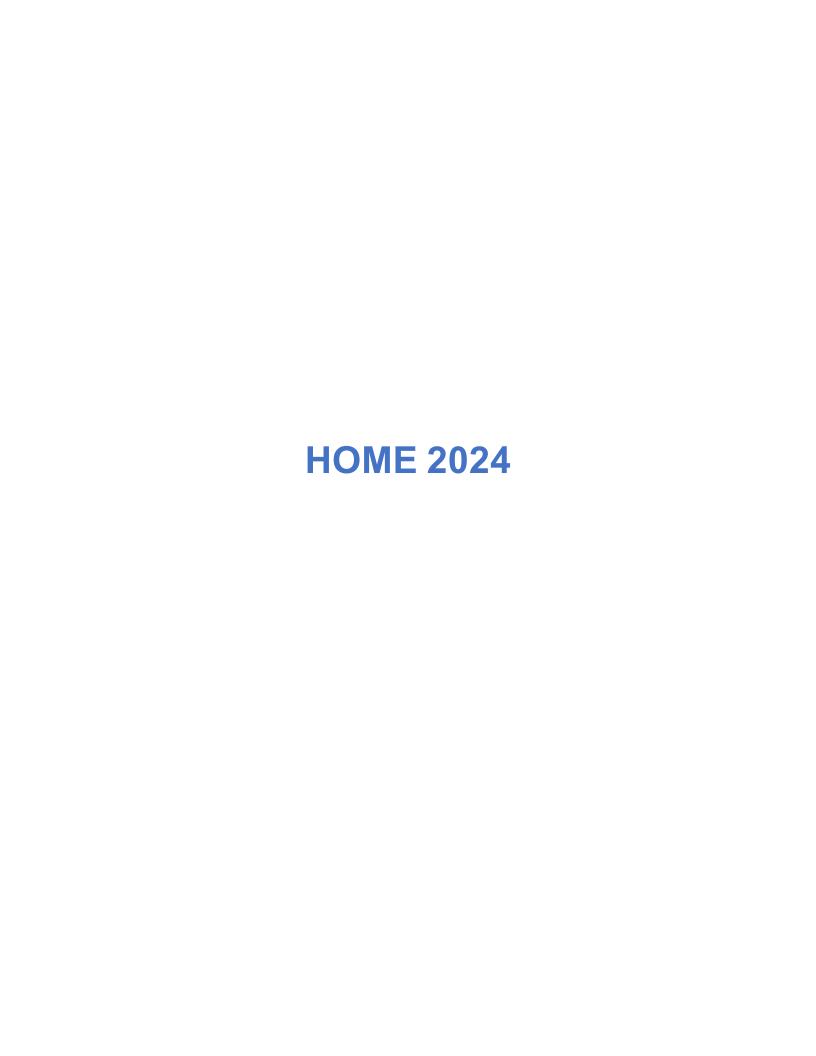
<u>Value of building</u>: Value of building is defined as the monetary value assigned to a building by an independent real estate appraiser or as otherwise reasonably established. If the value of the building is established other than by an appraisal, ODOC must be advised and provided with written documentation of the method for determining the value. The value of the building can only be used as match if the building is donated after the ESG contract is entered into with ODOC. If the shelter is purchasing or renting the facility, only the mortgage or lease amount paid with non-ESG funds multiplied by 12 months (the term of the ESG contract) can be used as match. Please refer to Federal Register, Title 24, Volume 3, revised April 1, 1998, for further clarification and for other related definitions.

<u>Victim Service Provider</u>: A private nonprofit organization whose primary mission is to provide services to victims of domestic violence, dating violence, sexual assault, or stalking. This term includes rape crisis centers, battered women's shelters, domestic violence transitional housing programs, and other programs.

<u>Victim Services</u>: The term 'victim services' means services that assist domestic violence, dating violence, sexual assault, or stalking victims, including services offered by rape crisis centers and domestic violence shelters, and other organizations, with a documented history of effective work concerning domestic violence, dating violence, sexual assault, or stalking.

<u>Weather and Safety Leave</u> - Pursuant to Administrative Leave Act of 2016 and 5 CFR 630, an agency may grant weather and safety leave to employees only if they are prevented from safely traveling to or safely performing work at a location approved by the agency due to:

- 1) An act of God;
- 2) A terrorist attack; or
- 3) Another condition that prevents an employee or group of employees from safely traveling to or safely performing work at an approved location.



# Home Investment Partnerships Program (HOME) Program Annual Action Plan Program Year 2024

Oklahoma Housing Finance Agency Housing Development Team 100 N.W. 63<sup>rd</sup>, Suite 200 P.O. Box 26720 Oklahoma City, OK 73126-0720 (405) 419-8261

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# **HOME Program: One-Year Action Plan**

The State of Oklahoma's allocation of HOME funds for Program Year 2024 is \$9,735,854. The range of activities planned for 2024 is similar to that of Program Year 2023, but some changes have been made.

Title 24 Code of Federal Regulations, Part 92, governs this program. Those regulations are incorporated by reference in this Action Plan. In some cases, the Oklahoma Housing Finance Agency (OHFA) has adopted more restrictive requirements than are included in Title 24 CFR Part 92. The primary goal of the OHFA HOME Program is to retain and increase the supply of decent, safe, and sanitary affordable housing. OHFA furthers this goal by using the HOME Program financial resources as a catalyst in the development and strengthening of public partnerships with local governments, nonprofit organizations, private sector development entities, financial institutions, and debt and equity capital outlets.

# Participating Jurisdiction Service Area

Applications for HOME funds will be accepted from all parts of the State of Oklahoma with the exception of the HUD designated HOME Program Metropolitan Participating Jurisdictions of Oklahoma City, Tulsa, Lawton, and Norman. These communities receive a direct annual allocation of HOME funds from HUD.

An exception will be made for applications for Tenant-Based Rental Assistance (TBRA) only. TBRA funds may be utilized anywhere within the State of Oklahoma, including within the city limits of Oklahoma City, Tulsa, Lawton and Norman.

Applications for HOME funds will also be accepted from within the Tulsa HOME Consortium, provided the proposed activities will not be undertaken within the city limits of the City of Tulsa. Consortium areas, for purposes of OHFA's HOME Program, are considered rural.

# 1. HOME Eligible Entities

OHFA encourages partnerships that promote the goals of the HOME program. OHFA plans to partner with the following entities. Only these entities are eligible to receive HOME funds from OHFA.

**State Recipients**: Units of general local government, including cities, towns, counties and Indian tribes.

**CHDOs**: A Community Housing Development Organization (CHDO) is a private, nonprofit organization that meets a series of qualifications prescribed in the HOME regulations. OHFA must use a minimum of 15 percent of its annual allocation for housing owned, developed or sponsored by CHDOs. OHFA will evaluate organizations' qualifications and designate them as CHDOs. CHDOs also may be involved in the program as sub-recipients, but the use of HOME funds in this capacity is not counted toward the 15 percent minimum requirement.

**Sub-recipients**: A sub-recipient is a public agency or nonprofit organization selected by OHFA to administer all or a portion of the HOME Program. It may or may not also qualify as a CHDO. **Sub-recipients run programs, not projects**.

**Nonprofit Developers**: Private, nonprofit housing development organizations that do not meet the qualifications to be a CHDO, or that have not applied to be a CHDO with OHFA. **Nonprofit developers may also be CHDOs applying for non-CHDO funds.** Nonprofit developers may undertake individual projects that comply with the HOME Program requirements, and may do so out of any set-aside for which they are eligible.

**Private, for-profit Developers:** Private, for-profit developers are eligible to apply for HOME funds only for projects developed in conjunction with Affordable Housing Tax Credits. **They are ineligible to apply for HOME funds for any of the other HOME-eligible activities.** 

# 2. HOME Funding Activities

#### **Homeowner Rehabilitation**

HOME funds may be used by eligible applicants to assist existing homeowners with the repair, rehabilitation, or reconstruction of owner-occupied units.

#### Homeownership

HOME funds may be used by eligible applicants to assist individuals or families for homebuyer assistance, acquisition, acquisition and rehabilitation, new construction, and lease-purchase of affordable housing for homeownership. All Homebuyer activities must incorporate housing counseling into project designs. Housing counseling must be provided by a HUD approved certified housing counselor.

#### **Rental Housing**

HOME funds may be used by eligible applicants for acquisition, rehabilitation, acquisition and rehabilitation, or new construction of affordable rental housing.

#### **Tenant-Based Rental Assistance (TBRA)**

HOME funds may be used by eligible applicants to help individual households afford housing costs such as rent and utility costs.

#### **CHDO Project Pre-development Loans**

HOME funds may be used by eligible CHDOs for project-specific pre-development assistance intended to assure funds for up-front, eligible project expenditures.

#### **CHDO Operating Assistance**

HOME funds may be used by eligible CHDOs for general operating assistance. CHDO Operating Assistance funds will be awarded at the same time a CHDO receives an award of HOME funds for a CHDO activity. CHDO Operating Assistance funds will only be awarded to CHDOs that are currently receiving HOME funds for a CHDO activity.

# 3. HOME Program Funds Allocation

OHFA will use the funds allocated for Program Year 2024 in accordance with the percentages listed below. The percentages identified below will be used to calculate the final dollar amounts.

# **Administrative Funds**

<u>Ten percent (10%)</u>, of the annual allocation will be used for administration. These funds will be used by OHFA to support its overall program delivery and monitoring.

#### **CHDO Operating**

No more than <u>five percent (5%)</u>, of the State PJ's annual allocation will be available for CHDO operating assistance. For the 2024 Program Year, the amount for which any eligible CHDO may apply will be limited to a maximum of \$50,000.

#### **CHDO Set-Aside**

<u>Twenty-five percent (25%)</u> of the annual allocation shall be reserved for CHDOs applying for CHDO activities. Only CHDO-eligible activities as defined in the HOME Final Rule, 24 CFR Part 92, will be funded from this set-aside.

#### Rental/Homeownership

<u>Fifty percent (40%)</u> of the annual allocation shall be used for other Rental or Homeownership activities. This set-aside will be open to eligible non-CHDO Applicants. It will also be available to CHDOs applying for non-CHDO activities, and to CHDOs applying for CHDO activities once the CHDO Set-Aside funds have been exhausted, but not sooner.

#### **Homeowner Rehabilitation**

Ten percent (10%) of the annual allocation shall be used for Homeowner Rehabilitation activities.

If any funds remain in this set-aside after the January 2024 Board of Trustees meeting, it will then be determined at OHFA's discretion whether such funds should be transferred to the Rental/Homeownership Set-Aside.

#### **Down-Payment Assistance**

<u>Ten percent (10%)</u> of the annual allocation shall be used for Down-Payment Assistance programs. Assistance to individual households cannot exceed \$14,999

If any funds remain in this set-aside after the January 2024 Board of Trustees meeting, it will then be determined at OHFA's discretion whether such funds should be transferred to the Rental/Homeownership Set-Aside.

# **General Information on Funds Allocation:**

All amounts set forth in this Action Plan may be changed at the discretion of OHFA, except where mandated by HOME Program rules. Such decisions shall be based upon demand, need, efficient resource use, and other Program-relevant considerations. Funding awards are subject to the availability of HOME funds and the timing needs of individual Projects.

#### **Program Income**

Awardees are required to clearly identify whether or not the proposed activity will result in Program Income. All Program Income must be returned to OHFA. OHFA no longer permits Awardees to retain Program Income. Exceptions may be made for Awardees that are currently reusing Program Income derived from Written Agreements already completed and closed out. Such exceptions must be specifically approved by OHFA and HUD and may be rescinded at any time should OHFA Monitoring Staff determine that the Program Income is not being used in accordance with HOME Program and OHFA rules and regulations.

#### **Recaptured Funds**

If OHFA recaptures any HOME funds, they will be allocated by OHFA to eligible activities. In the event a significant amount of funding becomes available, a public announcement of the availability of funds may be made.

#### 4. Administrative funds

OHFA will use all of the administrative funds for its costs of administering the HOME Program for the State of Oklahoma. OHFA will not accept Applications for administrative funds.

#### 5. Mode of HOME investment

• OHFA shall award HOME funds in the form of equity grants. The only exception is for CHDO Pre-Development Loans, which per the Final Rule must be in the form of loans.

# 6. HOME Written Agreement Award Instrument

Written Agreements will be used to contract with funded Applicants in order to implement proposed HOME activities and govern project execution. All Written Agreements will provide for protection of the Period of Affordability throughout its entire term.

At OHFA's discretion, a pre-agreement meeting between OHFA, the HOME Awardee, and any Project partners may be required prior to execution of Written Agreements.

For all Homebuyer activities, OHFA will require that funded Applicants execute Written Agreements with the ultimate beneficiaries of the HOME funds, setting forth the restrictions and requirements of the HOME Program. The Written Agreements must contain, at a minimum, the following requirements:

- The housing must conform to the requirements of 24 CFR 92.254(a).
- The housing must be modest; its value must not exceed 95% of the median price of comparable housing. It must also not include any luxury improvements as defined by HUD and/or OHFA.
- The home must be the principal place of residence of the homebuyer.
- Recapture or Resale provisions must be set forth in detail and written in such a way that the homebuyer can understand them.
- The agreement should set forth the amount of HOME assistance provided, the form of such assistance, and the deadline for acquiring the housing unit with the HOME funds, if applicable.
- The agreement should be drafted in such a manner as to ensure compliance with all HOME Program requirements and ensure that the homebuyer fully understands such requirements.

Activity and design modifications to funded projects are strongly discouraged. Activity and design modifications cannot be made to funded Projects without the prior written approval

#### of OHFA.

Extensions of Written Agreement periods may, at OHFA's discretion, be permitted for any HOME Awardee that can demonstrate that the Project is proceeding in a manner such that completion of the Project is certain in the time identified. However, Written Agreements cannot be extended beyond the Project completion deadlines set forth in the Final Rule.

Funded Applications are subsequently made a part of all Written Agreements between OHFA and the HOME Awardee. Unapproved variations to funded Project designs are considered violations of contractual agreements and may result in disallowed costs, the repayment of HOME funds, or possible suspension from future Program participation.

Projects selected for funding in conjunction with Applications for Affordable Housing Tax Credits (AHTC), National Housing Trust Fund (HTF), or Oklahoma Housing Trust Fund may receive a contingent HOME commitment, since they may be considered prior to a reservation of Tax Credits or an award of HTF funds. Contingent commitments will be withdrawn should an Applicant be unable to obtain a reservation of Tax Credits or an award of HTF funds, as applicable, within the time period specified by OHFA.

Projects selected for funding that involve the acquisition and rehabilitation of existing housing, and the specific address or addresses of the housing unit(s) cannot be identified at the time of application, will also receive a contingent HOME commitment. **The HOME Program Final Rule states that no Written Agreement can be executed without a specific address or legal description**. Therefore, for these projects, the Written Agreement will be executed once the legal description, address or addresses have been determined.

**No other contingent HOME commitments are permitted**. Contingent HOME commitments will not be made for any other eligible activities or in conjunction with any other type of funding source. All other funding sources must already be committed to the Project.

Contingent commitment amounts are good faith estimates by OHFA and may be adjusted based on the actual award of Tax Credits and/or HTF funds, or the work write-ups and cost estimates of acquisition/rehabilitation Projects. OHFA may reduce the amount of the contingent award, but under no circumstances will OHFA increase the amount of a contingent award.

OHFA will limit to five (5) the number of open HOME Written Agreements that any one entity may have at any given time. This includes Written Agreements for which said entity is either the Awardee or the Administrator. OHFA defines an open HOME Written Agreement as one that has not been 100% expended and all close-out documents submitted to OHFA. This limit will not include CHDO Operating Assistance Written Agreements.

A large number of open Written Agreements represents a possible capacity issue, especially should key staff leave before the Written Agreements are completed and closed out. Capacity is of great concern to OHFA, since OHFA must certify in the Integrated Disbursement and Information System (IDIS) that an Awardee has the capacity to undertake the Project or activity for which an award has been made. Further, the five (5) Written Agreement limit prevents any one entity from monopolizing the very limited HOME funds available.

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# 7. HOME Written Agreement Performance

OHFA regularly assesses the performance of its HOME partners. Based on the performance pursuant to the requirements contained in its Written Agreements and the Program regulations, OHFA may withdraw funding due to non-performance, poor performance, and/or untimely performance. In addition, OHFA may, at its discretion and within its regulatory authority pursuant to 24 CFR Part 92.2, reassign untimely Written Agreement funding in order to affect timely expenditure, performance, and Project completion.

Satisfactory performance in regard to HOME Written Agreements is a threshold requirement for all Applications for new awards of HOME funds. The 2022 HOME Application will set forth specific performance standards. Failure to meet these performance standards will be grounds for denial of any new Application for HOME funds. Some information on how Written Agreement performance will be measured can be found in Section 22 of this Action Plan, "Written Agreement Performance Measurement".

## 8. Compliance Monitoring

These compliance monitoring procedures apply to all buildings placed in service in Oklahoma, which have received allocations of HOME funds determined under the HOME Regulations. The compliance monitoring procedures and requirements are as follows:

- A. OHFA will verify that the Awardee of a low-income housing Project is maintaining records for each qualified low-income unit in the Project. These records must show, for each year in the compliance period, the information required by the record-keeping provisions contained in the HOME Regulations, incorporated herein by reference.
- B. OHFA will verify that the records documenting compliance with the HOME Regulations for each year as described in Paragraph A above are retained for the entire affordability period.
- C. OHFA will conduct construction inspections in order to ensure that HOME funds are not being drawn down for work that has not been completed, work that has not been done according to the specifications of the Written Agreement, or costs that are ineligible for HOME funding.
- D. OHFA will inspect one hundred percent (100%) of the HOME Written Agreements as prescribed by HUD regulations and will inspect the low-income certification, the documentation the Awardee has received to support that certification, the rent records for Rental Projects and the home valuation limits for Homebuyer Projects.
- E. For Rental Projects, OHFA will perform on-site inspections at the time of property completion and, at a minimum, every three years thereafter, in order to determine compliance with construction standards and physical condition standards. All HOME-assisted Rental housing must meet the Uniform Physical Condition Standards, or UPCS. HOME Compliance monitors will not conduct a REAC inspection, but will monitor for any violations. OHFA may perform more frequent on-site inspections based upon a risk assessment of all projects.
- F. The Awardee must allow OHFA to perform an on-site inspection of any low-income unit and/or building in the Project through the end of the Period of Affordability. This inspection may be separate or in conjunction with any review of tenant files, and will include habitability requirements.
- G. During programmatic monitoring activities, OHFA shall review Program Awardees' affirmative marketing, minority outreach, and fair housing activities to ascertain compliance with standards established by HUD's Fair Housing Office.
- H. OHFA will promptly notify the Awardee in writing if OHFA is not permitted to inspect and review as described in Paragraphs C, D, E, F and G, or otherwise discovers that the

- Project does not comply with the HOME Regulations. In such event, the Awardee will be allowed a correction period to supply missing documentation or to correct noncompliance.
- OHFA will notify HUD of an Awardee's noncompliance or failure to certify no later than forty-five 45 days after the end of the time allowed for correction and no earlier than the end of the correction period.
- J. Compliance with requirements of the HOME Regulations is the responsibility of the Awardee and the owner of the building for which HOME funds are loaned or granted. OHFA's obligation to monitor for compliance with the requirements of the HOME Regulations does not make OHFA or the State of Oklahoma liable to any owner or to any shareholder, officer, director, partner, member or manager of any owner or of any entity comprising any owner for an owner's non-compliance therewith.
- K. The Final Rule for the HOME Program permits Participating Jurisdictions to charge compliance monitoring fees for all projects funded after August 23, 2013. OHFA intends to charge a small monitoring fee for some properties at some point in the future. Any fee increase must be incorporated into OHFA's HOME Program Rules, Title 330, Chapter 55, before they can be implemented. No compliance monitoring fees will be charged in Program Year 2024.

# 9. Affirmative Marketing, Minority Outreach, and Fair Housing

All Applicants for HOME Program funds for Rental and Homebuyer projects containing five (5) or more units must adopt affirmative marketing procedures and follow all affirmative marketing requirements for all HOME-assisted housing. Affirmative marketing requirements and procedures must include:

- methods for informing the public, owners and potential tenants about fair housing laws and the policies of the local program;
- a description of what owners and/or the program administrator will do to affirmatively market housing assisted with HOME Program funds;
- a description of what owners and/or the program administrator will do to inform persons not likely to apply for housing without special outreach;
- maintenance of records to document actions taken to affirmatively market HOME-assisted units and to assess marketing effectiveness; and
- a description of how efforts will be assessed and what corrective actions will be taken when requirements are not met.

In order to achieve compliance with the Affirmative Marketing, Minority Outreach, and Fair Housing requirements at 24 CFR Parts 92.350 and 92.351, Written Agreements shall be executed between OHFA and all Program Awardees. Written Agreements shall prohibit discrimination on the basis of race, color, national origin, religion, sex, age, handicap, or familial status in connection with any activities funded with HOME Investment Partnerships Program assistance.

Implementation manuals shall be provided to Awardees and shall contain information regarding Affirmative Marketing, Minority Outreach, and Fair Housing Standards and Procedures. At a minimum, Written Agreements shall require all contractors and subcontractors to comply with equal opportunity requirements, procurement efforts to solicit the use of minority and women's' business enterprises, undertake activities to further fair housing, and, where five (5) or more units are HOME- assisted, implement Affirmative Marketing procedures.

Affirmative Marketing is now required for all HOME Program activities, including Down-Payment Assistance and Tenant-Based Rental Assistance. All HOME Program activities must comply with the White House's Justice 40 Initiative, which orders at least 40% of certain federal investments to benefit disadvantaged communities that have historically been overburdened by pollution. For more information on the Justice 40 Initiative, go to Justice 40 Whole-of-government Initiative:

https://www.whitehouse.gov/environmentaljustice/justice40/

Executive Order 14008: <a href="https://www.regulations.gov/document/EPA-HQ-OPPT-2021-0202-0012">https://www.regulations.gov/document/EPA-HQ-OPPT-2021-0202-0012</a>

Section 281 of the National Affordable Housing Act (the "Act") requires the State to prescribe procedures acceptable to the Secretary of HUD to establish and oversee a minority outreach program to ensure the inclusion, to the maximum extent possible, of minorities and women, and entities owned by minorities and women, including without limitation, real estate firms, construction firms, appraisal firms, management firms, financial institutions, investment banking firms, underwriters, accountants, and legal firms, in all Written Agreements, entered into by the Participating Jurisdiction with such persons or entities, public and private, in order to facilitate the activities of the Participating Jurisdiction to provide affordable housing authorized under the Act or any other federal housing law applicable to such jurisdiction.

#### Minority Business Enterprises/Women Business Enterprises

Applicants will be required to solicit and encourage the participation of Minority Business Enterprises/Women Business Enterprises (M/WBEs) in connection with their Project. **Applicants must affirm and certify to the same in their Applications or they will not be eligible to receive an award of HOME funds.** 

#### Recommended Methods for the Encouragement of M/WBEs:

The following methods are recommended for Applicants who wish to encourage the participation of M/WBEs on HOME-assisted contracts:

- (i) Actively and affirmatively solicit bids for contracts and subcontracts from qualified M/WBEs, including solicitations to minority and women contractor associations;
- (ii) Ensure that plan specifications, request for proposals and other documents used to secure proposals for the performance of work or supply of materials will be made available in sufficient time for review by prospective M/WBEs;
- (iii) Divide, where economically and technically feasible, the work into smaller portions to enhance participation by M/WBEs;
- (iv) Encourage, where economically and technically feasible, the formation of joint ventures, partnerships or other arrangements among contractors to enhance participation by M/WBEs;
- (v) Consult with and use the services of governmental agencies, their consultants and contractor associations to further the participation of M/WBEs;
- (vi) Ensure that progress payments to M/WBEs are made on a timely basis and with such frequency that undue financial hardship is avoided and other credit requirements are waived or appropriate alternatives developed to encourage M/WBE participation;
- (vii) Make written solicitations in a timely fashion of M/WBEs listed in the Minority and Women-Owned Business Directory; and
- (viii) Make timely responses to any advertisements and solicitations provided by M/WBEs.

#### Reporting

All applicants must submit M/WBE Utilization reports, which will include, but are not limited to the following:

- (i) The name, address and telephone number of each M/WBE the Applicant intends to use;
- (ii) A brief description of the contract scope of work to be performed for the Applicant by each M/WBE and the scheduled dates for performance;
- (iii) A statement of whether the Applicant has a written agreement with each M/WBE, and if requested, copies of the agreements the applicant is using or intends to use;
- (iv) The actual total cost of the contract, the work performed and the materials provided, scope of work to be performed by each M/WBE for each contract;
- (v) The actual amounts of any payments made by the Applicant to each M/WBE as of the date the compliance report was submitted; and
- (vi) The percentage of total contractors, subcontractors, vendors and suppliers utilized for the project and the total prices for each.

# 10. Language Access

Recipients of federal financial assistance, including HOME funds, are required to provide meaningful access to their programs and services for persons with limited English proficiency (LEP). The U.S. Supreme Court has held that failing to take reasonable steps to ensure meaningful access for LEP persons is a form of national origin discrimination prohibited by Title VI of the Civil Rights Act of 1964.

The requirement to provide language assistance to LEP individuals applies to all recipients of federal financial assistance, including HOME funds, regardless of conflicting state or local laws. When meaningful access requires interpretation, interpreters should be provided at no cost to the persons involved. Budgeting adequate funds to ensure language access is essential. While costs are a consideration in determining what language assistance is reasonably required, fiscal pressures do not provide an exemption from civil rights requirements.

Recipients of HOME funds should develop, and periodically update, a written LEP plan that describes their language assistance services and explains how staff and LEP persons can access those services. Recipients who are not fully compliant with the LEP guidance issued by the federal government should be making steady progress toward becoming fully compliant. Guidance regarding LEP compliance can be accessed on the HUD website at <a href="https://www.hud.gov">www.hud.gov</a>.

# 11. HOME Subsidy limits and minimums

<u>Minimum HOME Investment</u>: The minimum amount of HOME funds that must be invested in a project is \$1,000 multiplied by the number of HOME- assisted units in a project. **The minimum only relates to the HOME funds, and not to any other funds that might be used for Project costs.** The minimum HOME investment does not apply to Tenant-based Rental Assistance.

Special Minimum Investment for HOME awards in conjunction with Affordable Housing Tax Credits (AHTCs): The minimum amount of HOME funds that must be invested in a project that is utilizing HOME funds in conjunction with AHTCs is \$200,000.

<u>Maximum HOME investment</u>: There are three limiting factors that must be taken into account when determining the maximum HOME investment:

1. An award of HOME funds cannot exceed the HOME Program Maximum per Unit Subsidy Limits as established by HUD. The limits are based on the Section 234 Mortgage Limits and are determined by number of bedrooms.

- 2. The maximum HOME investment is limited to the minimum amount required to cover the project's financial gap, as determined by subsidy layering analysis.
- 3. The maximum HOME investment is limited to the pro-rata share of HOME-eligible project costs, as determined by multiplying the total HOME-eligible project costs multiplied by the percentage of HOME units to total units or the percentage of HOME unit square footage to total unit square footage (whichever percentage is less).

The maximum HOME investment, therefore, is limited to the <u>LOWEST</u> of the pro-rata share of eligible costs, the HOME Program Maximum per Unit Subsidy Limit, or the financial gap as determined by a subsidy layering analysis.

The maximum for HOME Down-payment Assistance is \$14,999 per HOME-assisted unit. However, it should be noted that this limit is also subject to underwriting analysis, and HOME Awardees cannot provide Down-Payment Assistance in an amount over and above the amount required to permit the homebuyer(s) to qualify to purchase the home.

#### **Maximum Awards for Activities**

The maximum amount of HOME funds that will be awarded to a Rental or a Homeownership project is \$750,000. The maximum amount of HOME funds that will be awarded to a Homeowner Rehabilitation project is \$300,000 plus 5% of the Award in Administrative funds. The maximum amount of HOME funds for Down-Payment Assistance programs will be \$200,000. The Maximum amount of HOME funds for a Tenant-Based Rental Assistance program will be \$500,000.

# 12. Period of Affordability

#### Rental Housing:

# Rehabilitation or Acquisition

\$1,000 - 14,999 HOME funds per unit 5 years \$15,000 - 40,000 HOME funds per unit 10 years \$40,001 - maximum allowable HOME funds per unit 15 years

New Construction (or acquisition of newly constructed housing): <u>20 years</u>, regardless of the amount of HOME funds invested.

#### **Homeowner Rehabilitation**

5-year period of affordability

#### **Homeownership:**

\$1,000 - 14,999 HOME funds per unit	5 years
\$15,000 - 40,000 HOME funds per unit	10 years
\$40,001 - maximum allowable HOME funds per unit	15 years

#### 13. Resale and Recapture Options

24 CFR 92.254 provides guidance for Resale/Recapture options for Homeownership. OHFA is authorized under the HOME Rules to select which option will be used for preserving the Period of Affordability. For 2024, OHFA has chosen the Recapture option. If applicants demonstrate to OHFA staff that special conditions exist that would make the Resale option superior,

then it may be considered as an exception. If there is no direct subsidy to the homebuyer, the resale option must be used.

Since Recapture is only possible if there is a direct subsidy to the homebuyer, some Written Agreements between OHFA and a CHDO, non-profit developer, State Recipient or Sub-recipient may be structured such that under certain circumstances a Recapture Agreement with one homebuyer will be required, and under other circumstances a Resale Agreement with a different homebuyer will be required. Nonetheless, the agreement between the CHDO, non-profit developer, State Recipient or Sub-recipient and any individual recipient of HOME funds may contain only one provision, either Recapture or Resale. An agreement with an individual recipient of HOME funds cannot contain both.

The Applicant is to describe to OHFA its procedures as they relate to the HOME Recapture (or Resale) requirements. The procedures must fully comply with the HOME Rules, and must be approved by OHFA before implementation.

Recapture provisions must ensure that there is recovery of all or a portion of the HOME assistance that represents a direct subsidy to the homebuyer, if the housing does not continue to meet the affordability requirements and/or continue to be the principal residence of the family for the duration of the Period of Affordability. **Mortgages, deed restrictions, land covenants or other similar legal mechanisms must be in place to enforce these provisions.** 

The amount subject to recapture is based on the amount of HOME assistance that represents a direct subsidy to the homebuyer. The amount subject to recapture may be forgiven over time. It must be forgiven on a prorated basis based on the amount of time remaining on the Period of Affordability. For instance, if the Period of Affordability is five years, the amount subject to recapture may be forgiven at the rate of twenty percent (20%) per year. The recaptured funds must be returned to OHFA. OHFA requires that all Recapture provisions for Homeownership and Homeowner Rehabilitation activities base the recapture amount on the net proceeds available from the sale and not the entire amount of the HOME investment. Applicants may structure their Recapture provisions such that the HOME funds are recaptured in one of the following three methods:

- Recapture of the HOME investment first, with the homeowner receiving any remaining net proceeds
- Allow the homeowner to recover his/her initial investment first, with the remainder of the net proceeds recaptured
- A "shared appreciation" method, where a pre-determined percentage of the net proceeds is retained by the homeowner, and the remainder of the net proceeds is recaptured

#### 14. Match Requirements

Match contributions must meet the definition of eligible Match under the federal program regulations at 24 CFR Part 92. Written, itemized documentation of all proposed Match contributions must be provided.

**Specific documentation requirements will be detailed in the application.** At a minimum, Match documentation must include a signed statement that Match is not from federal sources, as well as documentation of the sources and amounts of commitments. Applicants proposing to

meet their Match liability using banked Match must at a minimum include confirmation that the banked Match has not been expended or committed to any other application or project. Banked Match cannot be derived from an open contract. Banked Match can only be derived from a closed, audited contract.

The HOME Program operates using a twenty-five percent (25%) non-federal Matching requirement. All Applicants must structure their proposals based on the twenty-five percent (25%) Match requirement. Waivers granted by HUD will not affect this requirement.

OHFA may make available to Applicants a portion of its banked Match credit. This will be set forth more specifically in the 2024 HOME Program Application Packet.

Potential sources of local Match include, but are not limited to, donated or discounted land, donated or discounted materials, and donated or discounted labor.

## 15. Leverage

Applicants must fully describe all development leverage resources, inducements and incentives that are present in the proposed Application. All sources of financing, except HOME, paying development budget costs are potentially eligible for leverage. Assistance for Homebuyers, such as a first mortgage, is not considered leverage.

Any leveraged funds will require a commitment letter to be attached to the application.

#### 16. Troubled Public Housing Authorities

OHFA will wait to hear from HUD regarding whether or not there are currently any troubled public housing authorities.

OHFA will work closely with HUD to provide technical assistance and oversight where necessary. It is not anticipated that any HOME funds will be used to help troubled public housing authorities. The State of Oklahoma has not appropriated funds for this purpose, nor has it authorized OHFA to assume the federal government's role of subsidizing the operations of public housing agencies.

# 17. Projected Production

The following chart details the units the OHFA is projecting will be produced with the 2024 HOME allocation. This projection is based upon the actual numbers from prior years and amounts allotted to the various set-asides for 2024. It includes only HOME units and not any other units in the HOME-assisted projects:

Activity	HOME	Leveraged	
-			
Rental	40	20	
Homeownership	20	0	
DPA	50	0	
TBRA	0 tenants	0	

# 18. Application Process

The HOME Program operates on a continuous Application basis. The Board of Trustees of OHFA must review and approve all awards of HOME funds to Applicants. The Board meets every other month throughout the year, and therefore deadlines will be established for the consideration of Applications at each of the upcoming Board meetings. These deadlines will be set forth specifically in the 2024 HOME Program Application Packet, and are established in order to allow OHFA Staff to properly review each individual Application.

Even though Applications for HOME Program activities are continuously accepted, it may become necessary to cease accepting Applications before the end of the Program Year because funds are no longer available.

The Program Year 2024 HOME Program Application Packet, as well as the 2024 HOME Program Processes, Procedures and Topical Guidance will be drafted, and will be made available for public input. The Application Packet will contain the Application submission requirements, threshold factors, and the evaluation criteria for all HOME Program Applications.

## **Applications for Rental Activities in Conjunction with AHTCs**

For Program Year 2024, all eligible entities wishing to submit an Application for Rental Activities in Conjunction with AHTCs for the Second AHTC Funding Period of 2024 must submit their applications on or before June 29, 2024. The Applications for Rental Activities in Conjunction with AHTCs will be considered at either the September or November 2024 meeting of the OHFA Board of Trustees. It is OHFA's intent to consider them at the September 2024 Board meeting if possible.

Applications that meet all threshold requirements will be funded in rank order by score, from highest to lowest. Tie-breakers as set forth in the 2024 Application Packet will be used in the event that there are sufficient funds remaining for only one application, and the next two or more applications in rank order have achieved an equal score.

#### **Application timeline:**

- A draft of the proposed 2024 HOME Program Application Packet, including all Application and scoring evaluation criteria was presented for public comment and input on or about August 25, 2022. The draft will be posted on OHFA's website, www.ohfa.org
- An informal public input sessions on the 2024 HOME Application were held on July 18<sup>th</sup> and August 24<sup>th</sup>, 2023.
- The final version of the 2024 HOME Application Packet was posted on OHFA's website, www.ohfa.org, on or about September 27, 2023.
- OHFA may hold a training session on the 2024 HOME Program Application Packet in March of 2024 at the offices of OHFA in Oklahoma City. If OHFA Staff determines that the changes to the HOME Program for 2024 are minimal, OHFA may decide not to hold such a training session.
- OHFA will begin accepting Applications April 1, 2024.

OHFA staff will make every effort to meet this timeline. The dates for each step in the Application process will be published on OHFA's website. The web address is <a href="https://www.ohfa.org">www.ohfa.org</a>. All prospective

Applicants and interested parties are encouraged to check the website frequently for updated information concerning important dates.

#### 2024 Program Year – Important Dates

- March 1, 2024 Final version of 2024 HOME Application Packet available
- April 1, 2024 OHFA will begin accepting applications for the 2024 Program Year for all eligible activities
- June 29, 2024 Applications for Rental Activities in Conjunction with AHTCs are due

During Application review, the following are the factors that may be considered as Threshold Factors and/or Evaluation Criteria:

- Application Information Form
- Attachments A, B and C
- HOME Application Certification
- Description
- Audit
- Match
- Monitoring
- Federal Requirements
- Market Analysis
- Development Commitments
- Organizational Structure and Experience
- Capital Needs Assessment
- Financial Management
- Financing
- Readiness to Proceed
- CHDO Eligibility Criteria Elements
- Special Populations
- HOME Training
- Leverage
- HOME Investment per Unit
- CHDO Status
- Energy Efficiency
- HOME/Fair Housing Training
- Tenant Special Needs Populations
- Storm Shelter
- Viistibility

The complete list of Threshold Factors and Evaluation Criteria may not be limited to those above, and also may not include every criteria listed above.

Applications to be considered at the next OHFA Board of Trustees meeting must be submitted by the deadlines listed in OHFA's 2024 Application Packet. Applicants are encouraged to access the 2024 HOME Program Application Packet available on OHFA's web-site at <a href="https://www.ohfa.org">www.ohfa.org</a> to verify submission deadlines and ensure timely filing of their applications.

Applicants proposing to incorporate the use of HOME funds with Affordable Housing Tax

# Credits (AHTCs) should confirm the deadlines for submission in the HOME Application and the AHTC Application.

Awards of HOME funds are subject to the availability of funds and the satisfaction of all threshold factors. **Applications that do not satisfy these criteria are ineligible for funding.** 

In the event that insufficient funds remain to award HOME funds to all Applications for any eligible activity, Applications for each activity will be funded in rank order by score, as determined by Staff review of the evaluation criteria. In the event that two or more Applications achieve an equal score, tie-breakers as set forth in the 2024 HOME Application Packet will be used to determine funding.

Applications for Down-Payment Assistance and CHDO Operating Assistance will not be scored. If insufficient funds remain to award to all Applications for Down-Payment Assistance and CHDO Operating Assistance, tie-breakers as set forth in the 2024 HOME Application will be used to determine which Applications will be funded.

# **Application Requirements Specific to CHDOs**

CHDOs are responsible for notifying OHFA of any changes relating to the HOME Program CHDO eligibility criteria elements. Therefore, OHFA certified CHDOs making Application for CHDO activities, including CHDO Operating and Project Specific Loans, must, at the time of Application, indicate any changes in the eligibility criteria elements since the date of their last certification.

#### **Eligibility criteria elements**:

- Legal status
- Capacity and Experience
- Organizational structure
- Board Composition of current members.
- Relationships with for-profit entities
- Service Area

CHDOs with current OHFA certifications that have had no eligibility criteria element changes since their certification date, must submit a certification signed by the Board Chairman or Executive Director indicating that no eligibility criteria element changes have occurred.

If eligibility criteria element changes have occurred since the date of the CHDO's last OHFA certification, updated documentation relating to all changes must be provided. In addition, the CHDO must provide a certification signed by the Board Chairman or Executive Director that clearly identifies all the relevant changes that have been made. All certifications must indicate that all supporting documents relating to the CHDO's certification are on file in the CHDO's corporate office and available for OHFA's review.

#### 19. CHDO Annual Recertification Process

OHFA requires that CHDOs meet the CHDO eligibility criteria in order to apply for HOME funds for CHDO activities. **OHFA no longer requires annual recertification of all CHDOs. CHDOs will be recertified whenever they apply for new funding from OHFA for a CHDO Project.** 

# 20. New Applicants for CHDO Certification

Any not-for-profit organization receiving OHFA HOME-CHDO funding must be certified by OHFA as a CHDO under 24 CFR 92.2.

**New Applicants for certification must meet with OHFA Staff.** Those in attendance must be authorized representatives of the organization. They must also be principals in the operation of the applicant. This meeting is <u>required</u> before an application may be submitted for CHDO certification.

OHFA will prepare an Application Packet for CHDO Certification, and will make it available to prospective Applicants <u>after the required meeting has taken place</u>. A completed Application must be submitted with all required documentation.

Applications for CHDO certification may be submitted to OHFA at any time throughout the year. However, the not-for-profit organization must have received its CHDO certification from OHFA before submitting an Application for HOME CHDO funding.

Applicants should allow 4-6 weeks for OHFA to review a fully completed CHDO Certification Application. Once OHFA is satisfied that all certification requirements have been met, a CHDO certification letter and a certificate will be issued within two weeks.

# 21. Outcome Performance Measurement System

The Office of Community Planning and Development (CPD) at HUD has developed an Outcome Performance Measurement System. This system will enable HUD to collect information on the outcomes of activities funded with CPD formula grant assistance, and to aggregate that information at the national, state, and local level. The outcome performance measurement system is not intended to replace existing local performance measurement systems that are used to inform local planning and management decisions and increase public accountability.

#### **Performance Measurement Objectives**

The outcome performance measurement system has three overarching objectives: (1) Creating Suitable Living Environments, (2) Providing Decent Affordable Housing, and (3) Creating Economic Opportunities. There are also three outcomes under each objective: (1) Availability/Accessibility, (2) Affordability, and (3) Sustainability. Thus, the three objectives, each having three possible outcomes, will produce nine possible ``outcome/objective statements' within which to categorize HOME activities. OHFA will complete an outcome/objective statement in HUD's Integrated Disbursement and Information System (IDIS) by entering data in the form of an output indicator.

It is mandatory for OHFA to collect this data. The collection and reporting of performance data is not optional, but individual outcome indicators can and will vary, depending on the activity. The proposed outcome measurement framework will not change the types of activities available to eligible applicants, but it will require new ways of reporting the data. The flexibility of the Program will be maintained. The objectives and outcomes will be determined by OHFA, based on the intent of the activity.

The following is a list of the activities to be undertaken with HOME funds in Program Year 2024, and the outcome and objective for each of those activities:

Rental/Homeownership: Homeowner Rehabilitation: CHDO Pre-Development Loans: CHDO Operating Assistance: Affordability for the purpose of providing Decent Housing Affordability for the purpose of providing Decent Housing Affordability for the purpose of providing Decent Housing This activity is not covered in the Performance

Measurement System.

# 22. Written Agreement Performance Measurement

Meeting affordable housing objectives and obtaining satisfactory outcomes is important, but proper performance goes beyond housing production. Administration of the HOME Written Agreement is also important. The OHFA HOME Finance Staff has developed the following chart outlining how contract progress will be monitored. All time periods are from the date of the execution of the Written Agreement unless otherwise specified by OHFA.

#### **Written Agreement Performance Measurement**

Time Period	% Expended	Action	Performance
12 months from WA begin date	If 0% expended	send letter	Concern
18 months from WA begin date	0% expended	Determine contract feasibility	
18 months from WA begin date	< 25% expended and no explanation	send letter	Finding
24 months from WA begin date	< 50% expended	send letter	Concern
36 months from WA begin date	<100% send letter Concern There must be a plan in place to complete by 4-yr deadline If not, it will be a finding and awardee may have to pay back HOME funds (Plan must be approved by OHFA)		
0 – 60 days after WA end date	Need closeout documents; Will send a letter 1-month before WA end date to request closeout documents; If documents are not received within 60-day closeout period, a compliance visit will be scheduled and this will be a Finding		

#### **IDIS** Expenditure Measurement per Activity

Time Period	% Expended	Action	Performance
9 months after IDIS setup	0%	Send letter to request reimbursement request	Concern
12 months after IDIS setup	0%	Activity flagged and cancelled in IDIS	Concern

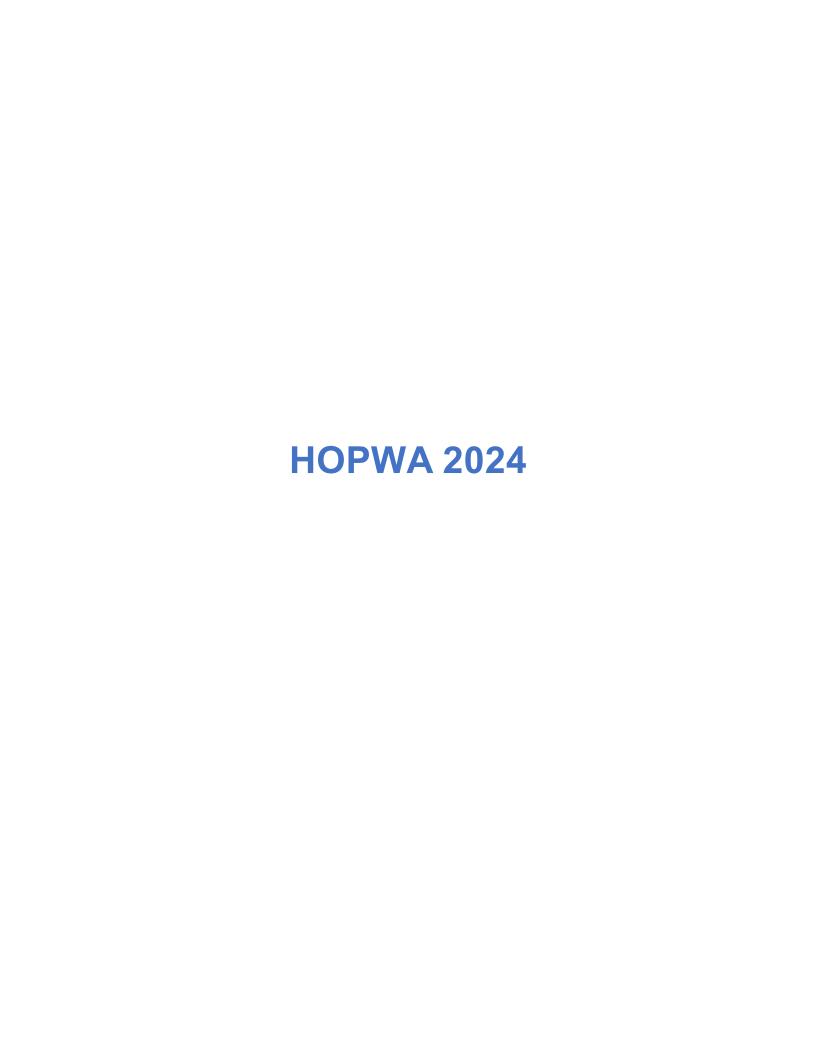
12 months between drawdowns		Activity flagged; need explanation from Grantee to continue	Concern
90 days from last drawdown	100%	Send letter if no activity completion report received	Concern
120 days from last drawdown drawdowns	100%	Activity flagged; Need completion report to continue processing drawdown requests	Finding

#### **Written Agreement Extensions**

Written Agreements will be for three year periods. However, Written Agreements will contain specific performance benchmarks, and except in very unusual circumstances, project completion will be required well in advance of the three year term. If an extension beyond the three year period is required, it will be a **Finding.** 

For CHDOs, excessive findings in regard to Written Agreement performance may result in CHDOs being placed on probation or, in severe cases, decertified.

Additional performance benchmarks will be set forth in Written Agreements and the failure to meet a performance benchmark could result in a concern, a finding or cancellation of the agreement, depending on the severity.



# **Housing Opportunities for People with AIDS**

# (HOPWA) 2024 Action Plan-Five-Year Strategic Plan for 2024-2028 Updated For Program Year 2024

Oklahoma Housing Finance Agency HOPWA Development Team 100 N.W. 63<sup>rd</sup>, Suite 200 P.O. Box 26720 Oklahoma City, OK 73126-0720 405/419-8275

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# Action Plan for Addressing Housing for People with HIV/AIDS

The Oklahoma Housing Finance Agency (OHFA), in its role as a housing service provider for low-income persons, is making \$504,209 available during the program year April 1, 20242024, to March 31, 2025 (PY2024). This budgeted amount does not include amounts appropriated under the Housing Opportunities for People with AIDS (HOPWA) Program for the City of Oklahoma City or the City of Tulsa. All funds will be used to ensure housing for persons living with HIV/AIDS is an essential component of the Continuum of Care approach. Priority will be given to projects that target low-income individuals living with HIV/AIDS in Oklahoma, who are either currently homeless or in eminent danger of becoming homeless.

OHFA has designated its HOPWA Program to support:

- Project or tenant-based rental assistance, including assistance for group housing;
- Short-term emergency rent and utility payments to prevent eviction or loss of services;
- Supportive services which include, but are not limited to: health and mental health, substance abuse, child care, assessment and case management, nutrition, intensive medical care, assistance in accessing federal, state, and local programs, and assistance in locating permanent housing;
- Resource identification to establish, coordinate, and develop housing assistance to eligible persons;
- Technical assistance in establishing and operating a community residence, including planning and other pre-construction activities;
- Operating costs for housing;
- Acquisition, rehabilitation, conversion, or lease of buildings used in the project; and
- Administrative expenses.

#### **Funds Distribution**

Ten percent (10%) of the allocation will be used for Administrative costs that will be shared with the Project Sponsors. Sixty percent (60%) of the allocation maybe distributed to Tulsa Cares, Inc. to serve the Eastern region. Thirty percent (30%) of the allocation maybe distributed to RAIN, OK to serve the Western region. OHFA is seeking additional Project Sponsors to administer the HOPWA program.

## **2024 Program Goals**

Program goals are as follows:

## Western Oklahoma

Short-term rent thirty-five (35) households Tenant – Based Rental assistance fifteen (15) households Supportive Services fifteen (15) households Permanency Planning five (5) households

# Eastern Oklahoma

Short-term rent eleven (11) households Tenant – Based assistance five (5) households Permanency Planning five (5) households Supportive Services sixty-five (65) households

## **EXHIBIT 1: PROGRAM ABSTRACT**

The State of Oklahoma is proposing to utilize *Housing Opportunities for People with AIDS* (HOPWA) FY 2024 program funds to ensure that housing becomes an essential component of the continuum of care for persons living with HIV disease in our State. The proposed plan seeks to address both short and immediate housing needs, and to build a foundation to meet future housing needs. The plan consists of statewide rental assistance including emergency, short term and long term assistance and a utility bill assistance program combined with mental health and intensive case management services. Up to approximately one-fifth of Oklahoma's total award could be realigned for other eligible activities (e.g., rehabilitation, acquisition). This plan strives to develop a program that will provide housing and supportive services to those persons who have the fewest resources to access these services and those who have the greatest need. It is essential that low-income individuals living with the HIV disease be able to access available direct care resources in the most accommodating environment possible rather than negotiating through a traditional bureaucracy.

#### **EXHIBIT 2: PROGRAM DESCRIPTION**

# **Characteristics of Eligible Persons:**

Persons to be served by the proposed activities of this plan include the men, women and children of our State who are living with and/or affected by HIV disease.

Although the HIV/AIDS epidemic in Oklahoma may not reflect the alarming number of cases observed in larger epicenters, this disease has nonetheless had a devastating effect on those persons living with HIV. From the first reported case in 1983, the needs of persons living with HIV in our State have far exceeded the resources available. As a low-incident state, Oklahoma has struggled to secure funding for services, often to discover we were ineligible for funds due to our lower number of reported AIDS cases. Despite this, Oklahoma service providers have been successful in developing a service delivery system that continues to be strengthened as more resources become available.

## HIV/AIDS in Oklahoma:

From the Oklahoma State Department of Health, as of December 31, 2020 (last update available):

# People Living with HIV/AIDS (PLWHA) 2020

- •At the end of 2020, an estimated 7,158 people were living with HIV/AIDS (PLWHA) in Oklahoma. Of these, 3,834 were HIV cases and 3,324 were AIDS cases.
- •Males accounted for 5,878 cases of the HIV/AIDS cases living in Oklahoma, while females accounted for 1,280 cases.
  - •The highest number of PLWH 45-54 years of age (1,861 people).
  - •In 2020, Whites had the highest number of PLWHA 3,651, people.
  - •Of the 7,158 PLWHA in 2020, 3,985 cases self-reported as MSM.

## Deaths among HIV/AIDS 2020

- •In 2020, 54 deaths occurred among persons diagnosed with HIV/AIDS in Oklahoma. The majority of the deaths were among males at 79.03% (49 cases), while deaths among females were 20.97% (13 cases).
- ■In 2020 people who were 60 and over years of age at the time of death accounted for the largest number of deaths (28 cases).
- ■Non Hispanic had the highest death rate in 2020 at 34 deaths, but accounted for only 27.42% of deaths in 2020 among all racial and ethnic groups.

# HIV/AIDS Cases Diagnosed in OKC Metropolitan Statistical Area (MSA) 2020.

- •Men Who Have Sex with Men (MSM) accounted for 55% of the living HIV/AIDS cases.
  - •Males accounted for 82% of the living HIV/AIDS cases in the OKC MSA.
  - •Age group 45-54 years had the highest rate (25% per 100,000) of new HIV cases.

# HIV/AIDS Cases Diagnosed in Tulsa Metropolitan Statistical Area (MSA) 2020.

•In 2020, the Tulsa MSA had a rate of 2,175 cases living with HIV/AIDS.

#### **OVERVIEW**

At the end of 2020, an estimated 7,158 cases were living with HIV/AIDS in Oklahoma. Of these, 53.7% (3,834) were HIV cases and 46.3% (3,324) were AIDS cases..

#### BY SEX

Males accounted for 82% (5,878) of the HIV/AIDS cases living in Oklahoma, while females accounted for 17% (1,280). The rate of males (5,878) living with HIV/AIDS in Oklahoma was 4.5 times higher than the rate of females (1,280).

#### BY RACE/ETHNICITY

At the end of 2020, Whites had the highest rate of living HIV/AIDS cases (3,651 among the racial/ethnic groups in Oklahoma. Blacks (1,67) had the second highest rate.. The rate among American Indians/Alaska Natives was 125 cases and the rate among Multi Race was 393. Asians/Pacific Islanders had the lowest rate of persons living with HIV/AIDS (125 in Oklahoma. Of the 7,158 persons living with HIV/AIDS at the end of 2020:

- 3,651 were White,
- 1,767 were Black,
- 821 were Hispanic,
- 396 were American Indian/Alaska Native,
- 125 were Asian/Pacific Islander, and
- 393 were Multi Race.

#### BY MODE OF TRANSMISSION

Of the 7,158 HIV/AIDS cases living in Oklahoma:

- 3,985 were men who have sex with men (MSM),
- 859 were heterosexual contact,
- 591 were MSM and injection drug use (IDU),
- 590 were IDU.
- 70 were perinatal,
- 19 were blood recipients, and
- 1044 were no reported risk or no identified risk.

#### BY GEOGRAPHY

Approximately 75% of the living HIV/AIDS cases reside in four counties: Oklahoma (3,262), Tulsa (2,175)Oklahoma County had the highest rate of cases living with

HIV/AIDS (3,262). Tulsa County had the second highest rate of cases living with HIV/AIDS cases (2,175).

The Oklahoma City MSA accounted for nearly half of the living HIV/AIDS cases (3,262; 45.98%). The Tulsa MSA ac-counted for 31.0% (1,848) of the living cases. The Lawton MSA accounted for 3.6% (251) of the living cases. Approximately 17% (1470; 20%) of the living HIV/AIDS cases resided in counties outside of these MSAs in Oklahoma.

Regardless of the location of HIV/AIDS cases as set forth above, Project Sponsors of eligible activities are required to ensure access to services throughout the state.

## **Eligibility:**

Experience in other HIV-AIDS service delivery programs has proven how critical well-defined, concrete guidelines for eligibility are to the success of any plan. Criteria used to determine eligibility for services vary to some degree within the service areas. Basic considerations in determining eligibility for any program services will utilize the following criteria:

- HIV/AIDS Status
- Current Housing/Living Situations
- Income Levels

# HIV/AIDS Status and Current Housing Living Situation:

Five levels of priority have been established to determine eligibility based on HIV/AIDS status and current housing/living situation:

# Five Levels of Priority:

- 1) Homeless individuals (AIDS & HIV+)
- Individuals who have received an AIDS diagnosis and are seeking to get new housing (they would go to Priority 1 if they are at eminent risk of becoming homeless).
- 3) Individuals who have received an AIDS diagnosis and are seeking assistance where they are living (they would go to Priority 1 if they are at eminent risk of becoming homeless).
- 4) Individuals who have received an HIV+ diagnosis and are seeking to get new housing (they would go to Priority 1 if they are at eminent risk of becoming homeless).
- 5) Individuals who have received an HIV+ diagnosis and are seeking assistance where they are living (they would go to Priority 1 if they too were at eminent risk of becoming homeless).

# **Income Levels:**

Recipients of HOPWA assistance must be low-income as defined by HUD. Households receiving HOPWA assistance must earn no more than 80% of the Area Median Income (AMI) established by HUD for the county in which they reside. Out-of-pocket documented medical expenses are deducted from their gross monthly income.

The following are links to the HUD-established HOPWA Income Limits and the HUD 80% of AMI limits:

https://www.hudexchange.info/resource/5332/hopwa-income-limits/

https://www.huduser.gov/portal/datasets/il.html#2020

Medical expenses do not include over-the-counter medications and/or supplies. Any allowable medical expenses must be documented through either paid receipt or check stub.

Mental health and case management services will use these same eligibility requirements to establish priority in service delivery to ensure those persons who are most in need receive the services that are available. Staff members providing these services will be allowed to extend services to other persons living with HIV disease as their workload permits.

The effectiveness of the established eligibility criteria will be evaluated throughout the year to ensure it continues to meet the needs of persons in need of program services. Adjustments will be made by the grant administrator if indicated.

# **General Locations and Costs of Proposed Activities**

## Location:

The purpose of this plan is to ensure the provision of resources and incentives to devise short and long-term comprehensive strategies for meeting the housing needs of low-income individuals and their families who are living with HIV disease. Given the rural nature of Oklahoma's population, these strategies must include a method of comprehensive service delivery throughout the state. ITB guidelines require successful contractors to submit plans that include service provision to Western Oklahoma, Eastern Oklahoma, or the entire state. Western and Eastern Oklahoma are defined by area code, Western being the 405 and 580-usage area and Eastern, the 539/918-usage area. This method of division is widely used within this state to assign service delivery responsibility. It also mirrors the current division of service responsibility assigned to the HIV CARE Consortia within the state. Oklahoma City, in the western half of the state, and Tulsa, in the eastern half of the state, will serve as "hubs" of service delivery.

# Cost:

The State of Oklahoma has been awarded a total of \$504,209 HOPWA funds for use in FY 2024. Analysis of epidemiological data has been utilized to determine an equitable distribution of funds.

Western Oklahoma will be eligible to receive approximately 30% of State and City funding, which would include the funding available exclusively for the City of Oklahoma City while the City of Tulsa; and Eastern Oklahoma will be eligible to receive the remaining 60%. Funding awards are granted through a competitive bidding process whereby an ITB is developed by OHFA and distributed to potential bidders. The ability to provide specified services of sufficient quality and quantity have been evaluated and evidence has been provided demonstrating their abilities to cooperate with a network of public and private agencies providing complementary services concerning HIV disease.

## **Urgent Housing Needs**

As the need for stable housing resources has become more pressing, it is evident that Oklahoma does not have adequate resources to meet these needs. HOPWA funds represent an opportunity to provide resources and incentives to devise long-term comprehensive strategies for meeting housing needs of persons with AIDS in our state. Initial responses to the AIDS epidemic focused on who, what, when, where and how of this devastating diseases' evolution and its effect on individuals. Now the focus is on who, what, when, where, and how of providing a better quality of life for the same individuals. One emerging concern is how and where persons living with AIDS will find stable housing. We now know enough about this disease to recognize how critical stable living conditions are to the medical management of HIV/AIDS. Traditional resources available to homeless or marginally homeless individuals often are not a viable option for people with HIV/AIDS. For example, shelters often pose infection control problems that place persons with HIV disease at risk for other infections (e.g., tuberculosis). They also may not have safeguards on confidentiality sufficient to protect the rights of individuals living with HIV/AIDS or staff trained to deal with HIV-related problems. OHFA worked with a variety of agency representatives, community leaders, and individuals living with HIV disease to develop a comprehensive plan that would provide the most critically needed services to those least able to meet those needs without assistance.

OHFA met with representatives of the two HIV CARE consortia responsible for the continuum of care for individuals living with HIV disease within the state as well as other state agencies responsible for related care, to set priorities for program activities. Years of first-hand experience, results of the housing needs assessment, and a review of case history information, led to a decision to provide short-term rent, rental, and utility bill assistance program with a comprehensive and intensive mental health and case management component. The rental assistance and short-term rent and utility bill assistance programs were designed to meet the immediate housing needs of persons living with HIV disease and their families who are homeless or in eminent danger of becoming homeless. Individuals in immediate need (e.g., currently homeless or at risk of becoming homeless in the near future) will be eligible to utilize the short-term rental assistance

program for up to 21 weeks. Case managers will work to ensure that Housing Quality Standards are met in all housing units in the event that rental assistance is needed for a longer period of time. Clients of the short-term rental assistance program will be able to access the longer-term rental assistance component. Case managers will also work to facilitate access to Section 8 Housing and other long term housing solutions when and where appropriate. Past state plans required payments for utility bills, short-term rent and/or long-term rental assistance could not exceed a cap of \$4,848 per person per year. The total maximum for short term was \$2,020 with the cap for long term set at \$3,272. There is no longer a need to limit these resources. Additionally, even though the HOPWA Program has been successful over the past several years a housing consultant may be utilized to evaluate program efficiencies. And, although not anticipated, OHFA reserves the right to realign program funding in the event the pursuit of other eligible housing activities such as acquisition or rehab becomes a more appropriate approach to meeting the housing needs as outlined.

# Other Points of Agreement:

- Need for collaborative efforts to achieve an integrated service delivery system statewide.
- Need to diminish barriers to access of care for persons with AIDS (e.g., bureaucratic red tape).
- Need for continuity of care; diminish fragmentation of service delivery.
- Need to address the reluctance of traditional health and service delivery systems to provide services to individuals living with HIV disease.

## **Project Sponsors Selection/Process:**

Project Sponsors will be selected in 2024 through an Invitation to Bid (ITB) process conducted by OHFA. Copies of the ITB will be available by contacting OHFA. The ITB will be used to select Project Sponsors to provide rental assistance, short-term rent and utility bill assistance and administer a supportive services program. Grant Agreements for Project Sponsors are renewable on an annual basis.

The ITB will be developed based on:

- Prior experience with HIV service delivery programs within Oklahoma
- needs assessment
- models from housing programs in other areas of the country
- community input

Eligibility requirements and the evaluation criteria to be used by reviewers in the selection process will be outlined in the ITB. A review committee maybe established that includes representatives from agencies not eligible to apply for funds, but involved in the delivery of services to individuals living with HIV disease.

Successful applicants will be required to ensure complete coverage of an entire

services area (e.g., the 405 and 580 area codes and/or the 539/918 area code).

# **Project Promotion/Accessibility:**

Methods of informing eligible persons of the housing assistance and supportive services available are integrated into the service delivery plan. Project Sponsors will be required to develop and implement effective strategies to increase awareness of, and accessibility to, services for clients.

These strategies should include, but not be limited to, the following:

- media coverage (e.g., radio, television, newspapers)
- newsletters, journals or other publications that are widely read by persons living with HIV disease and their service providers
- inclusion in resource directories
- pamphlet describing program placed at HIV-related service provider sites (e.g., Social Security Offices, Food Stamp Offices)
- presentations at coalition and committee meetings attended by HIV service community and/or individuals living with HIV
- outreach
- referrals by service provider network

Accessibility to the programs will be enhanced by mobile case managers who will be working within the community on a full-time basis. For instance, case managers could complete the application process with any potential client at the site of convenience for the client rather than at a designated office. Sponsors will utilize existing HIV service delivery infrastructure to enhance statewide accessibility to clients. State agencies such as Oklahoma State Department of Health (OSDH), the Department of Human Services (DHS), and the Department of Mental Health & Substance Abuse Services (DMHSAS) who have facilities serving persons with HIV disease throughout the 77 counties may be used as points of access to services.

## Coordination/Collaboration:

OHFA developed the state plan for HOPWA funds through the cooperation and collaborative efforts of other state agencies including continuum of care agencies, community-based organizations, and the Oklahoma HIV Treatment and Care Consortium (OHTCC).

Specific examples of these efforts include:

- Housing Needs Assessment developed by both the OSDH and the OHTCC and distributed to HIV-related service community-based organizations throughout the state.
- Program planning and development involving the state HIV CARE Consortia; DHS;
   Oklahoma Department of Corrections; OSDH; Oklahoma Department of Education;
   Oklahoma Department of Veteran's Affairs and DMHSAS.
- Technical assistance from OSDH and Department of Central Services (now the Office of Management and Enterprise Services) in preparation of the HOPWA ITB.
- Mutual agreement by planning group that letters of commitment will be provided to ensure integrated service delivery.

Other measures to ensure future coordination and collaboration:

- Requirement that Project Sponsors utilize existing HIV service delivery infrastructure in provision of housing services.
- Evaluation methods that require input from community (e.g., patient satisfaction survey, public comment meetings).

**EXHIBIT 3: PROGRAM SUMMARY BUDGET** 

Eligible Activities For more detail see			SRO Dw	SRO Dwellings		Community Residences		Other Housing Activities		Non-Housing Based Activities		
574.300 of the program	HOPWA	Other	HOPWA	Other	HOPWA	Other	HOPWA	Other	HOPWA	Other	HOPWA	Other
regulations.	Funds	Funds	Funds	Funds	Funds	Funds	Funds	Funds	Funds	Funds	Funds	Funds
Acquisition												
Rehab/Conversion												
Lease												
Repairs												
New Construction												
Operating Costs							<mark>22,830</mark>				<mark>22,830</mark>	
Technical Assistance												
Supportive Services Associated With Housing							205,334				<mark>205,334</mark>	
Supportive Services Not Associated With Housing												
Housing Information												
Resources Identification												
Rental Assistance												
Short Term Rent, Mortgage, & Utility Payments							63,227				63,227	
Grantee Administrative Expenses							<mark>171,468</mark>				<mark>171,468</mark>	
Project Sponsor Admin. Expenses							<mark>41,350</mark>				41,350	
Totals							504,209				504,209	
Instructions: Enter the amount of funding proposed for each eligible activity in the appropriate column. For example, if a building will be acquired to be used for a community residence, the amount of funds involved should be entered in the "Community Residences" column across from "Acquisition." If an eligible activity is not associated with a particular type of housing, the "Non-Housing Based Activities" column should be used. Shaded boxes indicate that HOPWA funds cannot be used for those purposes.  Total HOPWA  Funds (should equal formula allocation)  Total Other Funds					504,209							
									Total Progr Funds	am	<mark>504,209</mark>	

# **EXHIBIT 4: DESCRIPTION/EVALUATION OF SUPPORTIVE SERVICES**

# **Supportive Services Associated With Housing:**

Supportive services associated with housing will be provided by case managers assigned to work throughout the State. The main objective will be to complete a housing plan that would include both long and short term housing goals. In addition, case managers will provide the following types of client services:

- assist in the completion of application for housing services
- determine eligibility
- assist with financial planning
- secure cooperation of applicant's landlord and utility company representatives
- provide assistance to ensure housing program resources are more easily accessible and available
- evaluate rental units for Housing Quality Standards (HQS)
- assist with transportation
- assist with referrals and provide outreach

# **Supportive Services Not Associated With Housing:**

Supportive services not associated with housing will be provided by the case managers assigned to work throughout the State and by the mental health therapists. Services will include a broad range of mental health services, as well as case management services unrelated to housing. These services would include, but not be limited to:

- crisis intervention
- support groups
- individual, couple and family counseling
- referrals to appropriate mental health resources including drug and alcohol treatment
- · referrals for other supportive living resources
- transportation
- major health crisis intervention
- food, dietary, and nutrition services

# **Evaluation and Monitoring of Program Services Will Consist of:**

- monthly reports of demographic characteristics of clients and types of services rendered
- service provider satisfaction surveys
- client satisfaction surveys
- programmatic review performed by outside technical assistance





# OKLAHOMA HOUSING FINANCE AGENCY 2024 HOUSING TRUST FUND Allocation Plan/Action Plan

100 N.W. 63<sup>rd</sup> St., Suite 200 P.O. Box 26720 Oklahoma City, OK 73126-0720

#### Introduction

This 2024 Allocation Plan/Action Plan is necessary to implement the federal government's National Housing Trust Fund (HTF). The Oklahoma Housing Finance Agency (OHFA) has been designated by the Governor of the State of Oklahoma to administer the HTF for the State. HTF funding is provided through the U.S. Department of Housing and Urban Development (HUD). OHFA will receive \$5,907,079 for HTF in 2024.

All HTF funds that OHFA receives in 2024 will be used to provide housing for Extremely Low-Income families or families at or below the Poverty Line, whichever is greater. In accordance with 24 CFR Part 93, OHFA will allocate 10% of its grant to program planning and administration costs (\$590,707.90); up to one-third for funding operating cost reserves; the balance of the grant will provide capital funding for new construction or rehabilitation of housing units.

#### 1. National Housing Trust Fund Strategic Plan §91.315(b)(2)

#### **Geographic Priorities**

The HTF funds will be targeted to address specific and critical needs in rental housing markets, including multiple geographic areas if at all possible.

#### Goals

- Number of HTF units constructed or rehabilitated with 2024 funds: 450
- Number of HTF units receiving operating subsidies in the form of operating reserves: 55

## 2. National Housing Trust Fund Action Plan §91.320(k)(5)

#### **Distribution of HTF funds**

OHFA for 2024 will <u>not</u> allocate funds to sub-grantees for their distribution to owners/developers. Instead, HTF funds will be distributed directly to owner/developers of affordable housing via OHFA's 2024 HTF Application, a competitive process of selecting the best possible Projects for an award of HTF funds.

## **Application Requirements and Selection Criteria**

Developers, owners, and the entire development team are required to meet the same threshold eligibility criteria as for other OHFA programs, as specified in the 2024 HTF Application Packet.

In addition, points will be awarded for certain other priorities, including those set forth in 24 CFR Part 91.320. These are highlighted to distinguish them from OHFA's own requirements. They may include, but are not limited to:

#### **Threshold Requirements:**

- Affirmatively Furthering Fair Housing Marketing Plan
- Audit
- Program and Financial Monitoring
- Market Analysis

- Description of the Project
- Affordable Rents
- Financing, Underwriting and Subsidy Layering
- Applicant Organizational Structure, Capacity and Experience
- Capital Needs Assessment (for acquisition/rehabilitation projects only)
- Nonprofit
- Readiness to Proceed
- NHTF Environmental Training

# **Priority (Points) for Awarding Funding to Eligible Applicants:**

#### Leveraging

OHFA will award points for leveraging the HTF funds with other funding sources, including the extent to which an Application makes use of non-federal funding sources, such as State and local funding sources and private funding. Points will not be awarded for funding from the developer or the ownership entity

#### **Duration of Affordability Period**

New Construction, rehabilitation, and rehabilitation and acquisition rental projects have an affordability period of thirty (30) years. OHFA will award points for Projects promising an additional ten (10) years of affordability.

## **Energy Efficiency/Green Building**

OHFA will award points for energy efficient/green building items that exceed the minimum requirements of the applicable building codes.

# **Project-based Rental Assistance**

OHFA will award points for the preservation of rent-assisted projects; and for projects with binding commitments for project-based vouchers.

## **Special Populations**

Points will be awarded for Projects that propose to serve special populations. The special populations for 2024 will be the homeless, families or individuals dealing with mental and physical disabilities, veterans, youth aging out of foster care (18-24 years of age), and individuals transitioning out of incarceration and their families.

## **Services for Special Populations**

OHFA will award points for access to high quality supportive services focused on staying housed, improving physical and mental health, increasing income and employment, and developing social and community connections. Applications for HTF funding should be tied to funding for services that are appropriate to the population to be served.

#### **Storm Shelter**

Points will be awarded for storm shelters or safe rooms that meets or exceeds FEMA guidelines and the ICC/NSSA standards ((ICC-500).

## Visitability

OHFA will award points for Projects committing to provide the following: 1) Door openings must be at a minimum 32" wide to accommodate a wheelchair 2) One bathroom on the main floor of the property that is accessible by wheelchair, this does not apply to the shower. 3) One zero-step entry located on at least one accessible entrance to the unit. If there is not one zero-step entry located on at least one accessible entrance to the unit, a ramp must be provided.

#### **Geographic Diversity**

OHFA will give bonus points to the highest scoring applications from the two main areas of the State, Eastern Oklahoma and Western Oklahoma, as set forth in the 2024 HTF Application Packet. The areas will be designated on a county-by-county basis. Due to the limited funding for 2024, OHFA believes that this is the most that can be done to encourage Geographic Diversity. Tiebreakers will be used if two or more applications achieve the same score.

#### **Priority housing needs**

Oklahoma's most current Consolidated Plan identifies priority housing needs among ELI renters for all renter household types from small and large families to elderly households. OHFA will award points for **the merits of the Application in meeting the State's priority housing needs** as set forth in the Consolidated Plan.

Cross-agency collaboration is particularly important when serving an ELI population because they may be frequent users of other public services, and providing affordable, service enriched housing may represent cost savings that could be reinvested in services funding)

In addition, many ELI populations want to work but have experienced barriers related to health, disability, criminal justice background, access to childcare, or lack of skills that could put them on a path to family-sustaining work. HTF developers are encouraged to show evidence of partnerships with workforce development agencies.

Roles, responsibilities and communication strategies should be clearly established among the supportive housing partners, codified in written agreements (MOUs, MOAs, contractual or grant agreements) and revisited regularly.

#### **Relative Importance of Scoring Criteria**

OHFA will award the above described points using the following scoring system, in order to ensure that the best projects are awarded funds.

Application responses are to be structured and information presented in such a way as to fully address each scoring criterion. The information, data, and statements provided in response to each criterion will be the basis for evaluating each Application. Failure to submit or properly address evaluation criteria items will disqualify the Application from receiving points for those items. Some criteria may not apply to all Applications. Some requirements under a particular criterion may not apply to all Applications.

The scores for all Applications will be totaled, and the Application scores will be used to determine the order of funding if there are insufficient funds available to fund all of the Applications for HTF funds. The highest scoring Application will receive an award of funds. In the event of a tie on scores between Applications, tiebreakers shall be used. The tiebreakers are set forth in the Tiebreakers criterion at the end of this section.

#### **Leveraging - 10 Points**

Applicants must fully describe all development leverage resources, inducements and incentives that are present in the proposed Application. All sources of construction or permanent financing, except HTF, paying development budget costs are eligible for leverage points. If any source of funding provides both construction and permanent financing, it will not be counted twice.

Public and private resources, such as Rural Housing Incentive Districts, CDBG, AHP, AHTC equity, Historic Tax Credit equity, USDA-RHS, HUD, foundation funds, and private capital will be considered in the leverage analysis.

#### Leverage points to be awarded:

At least 10% up to 25% of the HTF funds requested	1 point
At least 26% up to 50% of the HTF funds requested	2 points
At least 51% up to 75% of the HTF funds requested	3 points
At least 76% up to 100% of the HTF funds requested	4 points
101% or more of the HTF funds requested	5 points

When determining the leverage percentage, **normal rounding shall apply**. Thus, for example, 50.5% will be rounded up to 51%. 50.4% will be rounded down to 50%.

#### **Duration of Affordability - 5 Points**

Five (5) points will be awarded for Applicants who promise to extend the affordability period from thirty (30) to forty (40) years.

# Energy Efficient Building Materials – 18 Points The following is an <u>exclusive list</u> of amenities for which OHFA may award points.

- Shower heads with a maximum of 2.5 gallons per minute flow rate (1 point)
- The use of better than R-2 insulation on exposed hot water pipes (1 point)
- Installation of Energy Star qualified appliances (1 point)
- Energy Star qualified windows with Low E glass (3 points)
- Energy Star qualified HVAC (3 points)
- Energy Star qualified Efficiency Water Heaters (2 points)
- LED lighting in units or parking lot (2 points)
- Drought tolerant exterior plantings and grass to limit need for watering (2 points)

- Use of Low or no VOC paint throughout the Development for compliance period (1 point)
- Programmable thermostats (1 point)
- Foaming gaps at windows, doors, eave lines, electrical outlets, switches (2 point)
- Mold guard drywall, at least in bathrooms, kitchen, and laundry rooms. (3 Points)
- Applicants may select one (1) of the following:
- Insulation: Attic insulation better than R- 38, wall insulation better than R 13 and floor insulation (if applicable) better than R-19 (2 points)
- OR
- Spray foam insulation exceeding code requirements (5 points)
- •
- Applicants may select one (1) of the following:
- Radiant barrier per ASTM standards in attic and/or roof sheathing and/or exterior wall sheathing. May not be combined with spray foam insulation. N/A for Rehabilitation Developments. (2 points)
- OR
- Insulation: R-3 or better insulation installed around the exterior foundation of every Building (2 points)

Applicants applying for Rental activities in conjunction with AHTC's must commit to receive a HOME Energy Efficiency Rating System (HERS) score within the specific range chosen as evidenced by a report from Certified RESNET Home Energy Rater who conducted an inspection of the property post-constructive/rehabilitation.

## **Priority Housing Needs – 5 Points**

Points will be awarded for addressing any of the following priority housing needs as identified in the Consolidated Plan. (Serving Extremely Low Income individuals and families was identified as the highest priority, but that is already a requirement of the HTF.)

- Families with Children
- Elderly
- Public Housing Residents
- Rural
- Chronic Homelessness
- Mentally Ill
- Chronic Substance Abuse
- Veterans
- Victims of Domestic Violence
- Persons with Mental Disabilities

- Persons with Physical Disabilities
- Persons with Developmental Disabilities
- Persons with Alcohol or Other Addictions
- Victims of Domestic Violence

#### **Project Based Rental Assistance – 5 Points**

Points will be awarded to a Project that will preserve project-based rental assistance from any federal, State or local program, or for Projects with a binding commitment for project-based vouchers.

The Applicant must provide an executed agreement with the entity providing the project-based rental assistance, or a signed letter promising to provide such assistance. The commitment to provide project-based rental assistance must be a firm commitment.

#### **Tenant Special Needs Populations – 10 Points**

Points will be awarded to a Project that commits to dedicate at least ten percent (10%) of the total residential units to serve a Special Needs Population, or multiple Special Needs Populations. A minimum of one (1) unit dedicated to a Special Needs Population is required in order to receive the points, regardless of the percentage. Points will be awarded for the following Special Needs Populations. This is an exclusive list:

- Homeless
- Persons with mental or physical disabilities
- Military veterans
- Youth aging out of foster care (age 18-24)
- Formerly incarcerated individuals transitioning into society

## Services for Special Populations – 5 Points

OHFA will award points for Applications promising access to high quality supportive services focused on the ELI beneficiaries remaining housed, improving physical and/or mental condition, increasing income and employment, and developing social and community connections. To receive the points, Applications for HTF funding must be tied to funding for services that are appropriate for the population to be served.

The Applicant must provide an executed agreement with the entity providing the services, or a signed letter promising to provide such services. OHFA must be able to determine that the commitment to provide the services is a firm commitment. OHFA may request additional documentation if necessary to make such a determination.

#### **Storm Shelter – 5 Points**

Storm shelter or Safe room that meets or exceeds FEMA guidelines and the ICC/NSSA standards (ICC-500). Storm shelters/Safe room must accommodate all possible residents based on number of bedrooms one and a half (1.5) people per bedroom. For developments of less than five (5) units, the Storm shelter or Safe room does not have to be accessible.

## **Vistiability – 5 Points**

Applicants must commit to <u>all</u> three items in order to receive points by completing attachment #17. It is up to the applicant to follow all Section 504 requirements if applicable to the specific project. Accepted items:

- 1. Door openings must be at a minimum 32" to accommodate a wheelchair
- 2. Wheelchair accessible shower on the main floor of the property in place of the traditional tub/shower concept.
- 3. Ramp located on at least one entrance of the unit.

#### **Bonus Points:**

# **Geographic Diversity – 5 Points**

OHFA will give bonus points to the highest scoring Application from each of the two main areas of the State, the counties grouped with the Oklahoma City MSA for establishing the HOME Program Maximum Per-Unit Subsidy Limits, and the counties grouped with the Tulsa MSA for the same purpose. Due to the limited funding available for 2024, OHFA believes that this is the most that can be done to encourage Geographic Diversity. Tiebreakers, as set forth below, will be used if two or more Applications achieve the same score.

#### **Tiebreakers**

Applications compete only against other Applications for funding being considered at the same Board meeting. If there are sufficient funds to fund all Applications that meet all threshold requirements, then all of the Applications will be funded. If not, Applications will be funded in rank order by score, from highest to lowest. Tie-breakers will be used in the event that there are sufficient funds remaining for only one Application, and the next two or more Applications in rank order have achieved an equal score.

- 1. First, priority will be given to developments that are not utilizing any other OHFA funding source. If there is still a tie;
- 2. Second, Application proposing the most HTF units will be awarded ahead of the others. If there is still a tie;
- **3.** Third, the Application utilizing the least amount of HTF funding per HTF-assisted unit will be awarded ahead of the others. If there is still a tie;
- **4.** The fourth and final tiebreaker will be a random drawing.

## 3. Eligible Activities

Activities to be undertaken include rehabilitation (including acquisition), preservation, and new construction of rental housing, including operating reserves if necessary to ensure the financial feasibility of the Project.

All Applications must include descriptions of the Eligible Activities that include, at a minimum, all of the following:

A. Describe the location of the Project (e.g. county, city or town, street address if known, general location, or service area).

- B. Define the number and type of units. This should include bedroom mix. Specify if the units are fixed or floating units.
- C. The Applicant must show the calculation of the number of HTF-assisted units at the HTF Rents established by HUD as set forth in 24 CFR Part 93.302. The number of HTF-assisted units must be equal or greater than a pro rata share of the total units according to the percentage of HTF monies in the Project, compared to the total Project costs.
- D. Describe how the Period of Affordability will be implemented. Include drafts or templates of all documents that will be used for this purpose.
- E. Address the relocation of tenants or residents if applicable.
- F. For Rental New Construction only, Applicants must provide sufficient documentation to allow OHFA to make the determination that proposed sites for new construction meet the requirements in 24 CFR Part 983.57(e)(2) and (3) (Site and Neighborhood Standards). Applicants for Rental New Construction activities should carefully review the Site and Neighborhood Standards section of the 2024 HOME Program Processes, Procedures and Topical Guidance. All documentation utilized in making the determination must be included with the Application. OHFA is responsible to maintain records that document the results of the site and neighborhood standards review. If the documentation does not support the conclusion that a site meets the requirements, additional documentation will be requested.

## 4. Eligible Recipients

- **Nonprofit developers:** A nonprofit developer is a nonprofit housing development organization selected by OHFA, through the competitive Application process described herein, to develop a single HTF Program Project.
- **For-profit developers:** A for-profit developer is a for-profit housing development organization or individual selected by OHFA, through the competitive Application process described herein, to develop a single HTF Program Project.
- State Recipients: A State Recipient is a governmental entity within the State of Oklahoma selected by OHFA, through the competitive Application process described herein, to develop a single HTF Program Project. This includes cities, towns, counties and Indian tribes.

Eligible Recipients must certify that housing assisted with HTF funds comply with all HTF regulations. OHFA will provide an Application Certification Form with the Application Packet.

#### 5. Performance Goals and Benchmarks

The amount of OHFA's allocation of National Housing Trust funds for Program year 2024 is unavailable at this time but is anticipated to be similar to the allocation for Program Year 2023, which was approximately \$5,907,079. The exact amount will be determined via formulas by HUD.

All HTF funds received in 2024 will be used to house Extremely Low-Income families, or families at or below the Poverty Line.

OHFA will execute Written Agreements with all eligible recipients that receive an award of HTF funds. Such Written Agreements will contain multiple performance goals and benchmarks, allowing OHFA to ensure that the Projects will be completed successfully and in a timely manner, and that all the requirements of OHFA and the HTF will be met.

These goals and benchmarks include, but are not limited to:

- Deadlines for construction commencement and construction completion
- Regular construction inspections by OHFA's inspector
- Deadlines for the submission of required documentation
- Written New Construction Standards or Written Rehabilitation Standards, as applicable
- Documentation of Environment Review
- Performance reports

## 6. Maximum Per-unit Development Subsidy Limits

For 2024, OHFA will use the most current HOME Program Maximum Per-Unit Subsidy Limits for the HTF. In future years OHFA may develop separate per-unit subsidy limits for the HTF when historical data is available.

OHFA already uses the HOME Program Maximum Per-Unit Subsidy Limits not only for the HOME Program but also for the federal Low Income Housing Tax Credit Program (Also known as the Affordable Housing Tax Credit Program), which OHFA administers. OHFA has found these limits to be appropriate for both programs.

HUD's experts have calculated these limits. Due to the fact that OHFA is not a direct lender, OHFA does not maintain staff to closely monitor development costs, other than through its historical records of the federal programs it administers. Based both on the HOME Program and the LIHTC Program results over the last several years, these limits have allowed sufficient funding to create long-term sustainability, while not allowing excessive per-unit subsidies.

OHFA believes there will be a need to partner the HTF funding with other federal, State and local funds, due to the limitation on the amount of HTF funds available to the State, and in order to create sustainable projects by blending funding for ELI households with funding for households at 50 to 80% of Area Median Income, allowing for higher rents for those units. The use of a single per-unit subsidy limit would reduce the administrative burden for both OHFA and the Recipients of the HTF funds.

A single limit for the entire State is appropriate because OHFA's records indicate that costs across the State of Oklahoma are fairly consistent. Oklahoma is a rural state with only two metropolitan areas of even moderate size. Development costs in those metro areas are relatively low compared

to some major metro areas around the United States, where housing prices and related costs, especially land costs, are extremely high.

## The most current Maximum Subsidy Limits are as follows:

The following limits are determined, pursuant to 24 CFR 92.250(a), as amended, by taking the Basic Statutory Mortgage Limits for Section 234 Condominium Housing, elevator-type projects, and multiplying them by the latest published multiplier for the Ft. Worth, TX Southwest Regional Office, which at this time is 240%. These limits were effective April 7, 2023.

Number of Bedroom(s)	Maximum Subsidy Limit
0	\$173,011
1	\$198,331
2	\$241,176
3	\$312,005
4+	\$342,482

#### 7. Rehabilitation Standards

Projects awarded HTF funds must comply with all applicable State and local codes, standards and ordinances by project completion. In cases where standards differ, the most restrictive standard will apply. In the absence of a State or local building code, the latest version of the International Residential Code will apply. In addition, all Projects must meet or exceed OHFA's Written New Construction Standards or OHFA's Written Rehabilitation Standards, whichever applicable.

Projects must meet local housing habitability or quality standards throughout the affordability period. Projects must also meet HUD's Uniform Physical Conditions Standards (UPCS), as set forth in 24 CFR 5.705. In addition, Projects proposing rehabilitation of rental housing must follow the federal Lead-Based Paint requirements.

A copy of OHFA's Written Rehabilitation Standards for the HTF Program is attached and marked as "Attachment A." A chart of the Inspect-able Items under UPCS is attached and marked as "Attachment B."

# 8. Resale and Recapture Provisions

OHFA will not undertake any Homeownership activities with the HTF for 2024, and therefore no Resale and Recapture provisions would apply.

#### 9. Affordable Homeownership Limits

OHFA will not undertake any Homeownership activities with the HTF for 2024, and therefore no Affordable Homeownership Limits would apply.

#### 10. Limitation on Beneficiaries or Preferences

OHFA does not plan to limit the HTF funding to certain beneficiaries. However, preference will be given to certain special populations by way of extra points in the 2024 HTF Application Packet.

Points will be awarded to a Project that commits to dedicate at least ten percent (10%) of the total residential units to serve a Special Needs Population, or multiple Special Needs Populations. A minimum of one (1) unit dedicated to a Special Needs Population is required in order to receive the points, regardless of the percentage. Points will be awarded for the following Special Needs Populations. This is an exclusive list:

- Homeless
- Persons with mental or physical disabilities
- Military veterans
- Youth aging out of foster care
- Formerly incarcerated individuals transitioning into society

## 11. Refinancing Existing Debt

OHFA will not use HTF to refinance existing debt.

## ATTACHMENT A

OKLAHOMA HOUSING FINANCE AGENCY
National Housing Trust Fund Minimum Rehabilitation Standards

Please note: Regardless of the standards set forth herein, all housing assisted by Housing Trust Fund monies must meet all applicable State and local codes, ordinances and requirements, as well as such other requirements HUD may establish. In the absence of State or local building codes, the housing must meet the International Existing Building Code or the International Code Council.

For Rental housing, Awardees must produce an estimate, based on age and condition, of the remaining useful life of all major systems, including structural support, roofing, cladding and weatherproofing, plumbing, electrical, and HVAC.

A capital needs assessment (CNA), prepared no longer than 18 months prior to the date of Application, is required for all multi-family Rental Rehabilitation or Acquisition/Rehabilitation Projects of 26 or more units, and for all Applications in conjunction with Affordable Housing Tax Credits, regardless of the number of units. A CNA may be requested by OHFA for smaller Projects if deemed necessary to properly underwrite the Projects. Capital needs assessments performed for the same Project as a requirement of another funding source will be accepted in lieu of a specific CNA for the HTF Application.

Capital Needs Assessment (CNA) means a qualified professional's opinion of a property's current physical condition determined after a physical inspection of the interior and exterior of the units and structures. The physical inspection should include an interview with the onsite manager and maintenance personnel. This assessment should identify deferred maintenance, physical needs, **remaining useful life**, material building code violations that affect the property use, structural and mechanical integrity, and the future physical and financial needs. The assessment must include the cost of labor and materials identified in detail and the extent of future expenditures contemplated to ensure the costs will be addressed through operating and replacement reserves. Components which should be examined and analyzed in this assessment include but are not limited to:

- Site, including topography, drainage, pavement, curbing, sidewalks, parking, landscaping, amenities, water, sewer, storm drainage, gas and electric utility lines;
- Structural systems, both substructure and superstructure, including exterior walls and balconies, exterior doors and windows, roofing system and drainage;
- Interiors, including unit and common area finishes (carpeting, vinyl or tile flooring, plaster walls, paint condition, etc.), unit kitchen finishes, cabinets and appliances, unit bathroom finishes and fixtures, and common area lobbies and corridors; and
- Mechanical systems, including plumbing and domestic hot water, HVAC, electrical, lighting fixtures, fire protection, and elevators.

In all cases, f the remaining useful life of one or more major systems is less than the Period of Affordability, the Awardee must establish and maintain a replacement reserve and make adequate monthly payments thereto, such that there are sufficient funds to repair or replace systems as needed.

For Homebuyer housing, upon completion each of the major systems must have a minimum useful life of five years, or the major systems must be rehabilitated or replaced as a part of the rehabilitation work.

If the housing is occupied at the time of rehabilitation, Awardees must identify any life-threatening deficiencies and must address them <u>immediately</u> before any further work is undertaken. The potential life-threatening deficiencies, pursuant to the Uniform Physical Condition Standards (UPCS), are highlighted in orange on Attachment B, which contains the complete list of inspect-able items covered by UPCS.

OHFA will review and approve all written cost estimates and ensure that construction contracts and work performed will meet these Rehabilitation Standards.

OHFA will conduct initial, progress and final inspections to ensure that all work is done in accordance to work write-ups.

#### I. PURPOSE OF STANDARDS

A. The National Housing Trust Fund Rehabilitation Standards (known herein as the "HTF Standards") are designed to outline the requirements for building rehabilitation for all National Housing Trust Fund (HTF) funded multi-family housing projects in the State of Oklahoma. The HTF Standards, though a requirement specifically to the development entity in direct receipt of HTF funding, are written to provide guidance to all relevant members of a project development team.

- B. The goal of the HTF Program is to provide functional, safe, affordable and durable housing that meets the needs of the tenants and communities in which the housing is located. The purpose of the HTF Standards is to ensure that property rehabilitation puts each building in the best possible position to meet this goal over its extended life and that, at a minimum, all health and safety deficiencies are addressed.
- C. If a project is out of compliance with the HTF Standards, the Awardee shall bring to the attention of OHFA Staff the specific portion of the project which does not comply, stating the reasons for non-compliance. OHFA Staff will make a determination as to whether an exception to the HTF Standards shall be granted.
- D. Note: At the time of publication and adoption of the HTF Standards, the adopted codes referenced are believed to be those in force. As standards and codes change and are put into effect by the governing authorities having jurisdiction, the new standards and codes will apply in lieu of those referenced.

#### II. QUALITY OF WORK

A. Quality of Work: Awardees and developers shall ensure that all rehabilitation work is completed in a thorough and workmanlike manner in accordance with industry practice and contractually agreed upon plans and specifications as well as subsequent mutually agreed upon change orders during the construction process. Awardees and developers will employ best practice industry standards relating to quality assurance to verify all work completed.

- B. By meeting the various code requirements as a minimum standard, together with the other standards herein or in attendant OHFA policies, each building rehabilitation project is assured to be brought up to an acceptable level of rehabilitation.
- C. Warranties shall be required per the standard construction contracts on all materials, equipment and workmanship.

#### III. CODE COMPLIANCE

- A. All work shall comply with all applicable Oklahoma State and local codes, ordinances, and zoning requirements.
- B. Please note that the OHFA HTF Awardee must demonstrate compliance with all State and local codes through project affiliation with professional design team drawing certifications (e.g. architectural design stamp) and/or other approved methods such as State inspector certification.
- C. The HTF Standards are designed to meet or exceed the Uniform Physical Condition Standards (UPCS) and ensure that upon completion, the HTF-assisted project and units will be decent, safe, sanitary, and in good repair as described in 24 CFR 5.703. See Attachment B to the 2024 HTF Allocation Plan for a list of Inspect-able Items and Observable Deficiencies, including descriptions of the type and degree of deficiency for each item that any HTF-assisted project must address, at a minimum.

#### IV. HEALTH AND SAFETY

A. If the housing is occupied at the time of rehabilitation, any life-threatening deficiencies must be identified and addressed immediately. See Attachment B to the 2024 HTF Allocation Plan for a list of Inspect-able Items and Observable Deficiencies, including the identification of life-threatening deficiencies (highlighted in orange) for the property site, building exterior, building systems, common areas, and units.

#### V. SCOPE OF WORK DETERMINATION

A. In developing scopes of work, Awardees and developers will work with OHFA to ensure that all requirements under the HTF Standards are satisfied and that the proposed scope of work meets the goals of Part I above. OHFA approval of all scopes of work is required in accordance with OHFA standard practices.

#### VI. EXPECTED USEFUL LIFE

A. In developing scopes of work on housing rehabilitation projects, OHFA HTF Awardees and developers will consider the remaining expected useful life of all building components with regard to building long-term sustainability and performance. Specifically, each building component with a remaining expected useful life of less than the applicable HTF period of affordability (30 years) shall be considered for replacement, repair or otherwise updated. Additionally, new building components with an expected useful life of less than 30 years shall be considered for future replacement.

B. OHFA Staff will underwrite the proposed project to determine if sufficient replacement reserves will be set aside each month to cover the full cost of any such replacement, repair or update. Whether or not a particular building component has been replaced, repaired or otherwise updated as part of the rehabilitation scope of work, all building components and major systems must demonstrate adequate funding to be viable throughout the 30-year affordability period.

#### VII. DISASTER MITIGATION

A. To the extent applicable/relevant, the housing must be improved to mitigate the impact of potential disasters (e.g. earthquakes, tornadoes, floods, wildfires) in accordance with State or local codes, ordinances, and requirements, or such other requirements that HUD may establish. The relevant State codes are the International Residential Code of 2009, as amended, for new construction and the International Building Code for rehabilitation.

B. In addition, construction of the housing must adhere to the Oklahoma Standard Hazard Mitigation Plan adopted in 2014. Awardees of HTF funds should particularly review and adhere to Chapter 3 regarding Risk Assessment and Chapter 4 regarding Mitigation Strategies.

#### VIII. ENERGY CONSERVATION

- A. Equipment, appliances, windows, doors and appurtenances replaced during rehabilitation shall be replaced with Energy Star qualified products.
- B. If feasible, attics should be insulated to R38 and walls to a minimum of R11.
- C. Replacement heating and/or cooling systems shall be properly sized as evidenced by completion of ACCA/ANSI Manual J® or an equivalent sizing calculation tool.
- D. All accessible air ducts shall be tightly sealed.
- E. Heating or cooling supply running through unconditioned space should be avoided or rerouted if possible, but when present and accessible, shall be insulated.

## IX. ACCESSIBILITY REQUIREMENTS

A. Housing that is rehabilitated with HTF funds must meet all applicable federal and State regulations regarding accessibility for persons with disabilities. The applicability of these rules is complex and therefore it is recommended that developers seeking HTF funds consult with a qualified design professional.

- B. Projects shall comply with other standards as may apply or be required by funding sources (i.e. USDA Rural Development)
- C. Projects, if applicable, shall comply with Section 504 of the Rehabilitation Act of 1973 implemented at 24 CFR Part 8 a. For "substantial" rehabilitation (projects with 15 or more total units and the cost of rehabilitation is 75% or more of the replacement cost): i. At least 5% of the units (1 minimum) must be made fully accessible for persons with mobility impairments based on the Uniform Federal Accessibility Standards (UFAS) ii. In addition, at least 2% of the units (1 additional unit minimum) must be made accessible for persons with sensory impairments. iii. Common spaces must be made accessible to the greatest extent feasible
- D. For projects with "less-than-substantial" rehabilitation (anything less than "substantial"), the project must be made accessible to the greatest extent feasible until 5% of the units are physically accessible, and common spaces should be made accessible as much as possible.

#### X. REHABILITATION CONSTRUCTION STANDARDS

#### A. SITE

- 1. General: a. Assure that the site is safe, clean and usable, and designed with details, assemblies and materials to provide ongoing durability without undue future maintenance.
- a. Site design and engineering shall be by a licensed professional civil engineer, or other qualified professional.
- b. Design and systems shall conform to all applicable codes, rules and regulations: i. Local and municipal zoning; ii. NFPA Codes as they may apply
- 2. Sprinkler water service Underground water service as required for building sprinkler system shall be in accordance with NFPA 24.
- 3. Drainage assure that the grading surrounding the building will slope away from the building and drain properly, without ponding or erosion.
- 4. Sewer connections to municipal sewage systems and on-site sewage disposal: a. Existing sewer laterals that are to be reused should be evaluated to assure that they are serviceable and have a remaining useful life of 30 years, or are covered by a plan to repair or replace during the 30-year affordability period.
- b. New systems designed to conform to the State codes and regulations.
- 5. Water service: a. Existing municipal water supplies to buildings shall be evaluated to assure that they are serviceable, of adequate capacity and have a remaining useful life of 30 years, or are covered by a plan to repair or replace during the 30-year affordability period.
- b. Required new systems shall be designed to conform to State codes and regulations.
- 6. Vehicular access to public way site design shall conform to local zoning and regulations, as well as be sensible in its layout to maximize vehicular and pedestrian safety.
- 7. On-site Parking parking shall be adequate for project type, meet local codes, and be designed to drain well, with a durable appropriate surface material. Handicapped parking shall be provided as required.
- 8. Pedestrian access and hardscape In general, paved walkways within the site will be designed to provide sensible pedestrian access from the public way into the site, from parking areas, and provide access to buildings. All walkways should generally conform to applicable codes for width and slopes, and fall protection. Site stairs shall be safe and sound, constructed of durable materials, with proper rise and run, and with code approved railings as required. Accessible routes into buildings shall be provided as required by code.
- 9. Site amenities site amenities may be provided which enhance the livability of the project including playground areas, seating, benches, patio areas, picnic tables, bike racks, grills, and fencing, etc.
- 10. Mailboxes Provision will be made for USPS-approved cluster mailbox units if required by the USPS.
- 11. Landscaping lawns, ground cover, planting beds, perennial plants, shrubs and trees may be provided to enhance the livability, and to provide a positive aesthetic sense. a. Planting choices specified should be

low maintenance, non-invasive species, of an appropriate size and scale and located, when adjacent to building structures, with regard to their size at maturity.

- 12. Solid waste collection & storage if necessary, provision shall be made for the outdoor storage and collection of solid waste and recycling materials in receptacles (dumpsters, wheeled trash cans, totes). Enclosures may be provided and should be accessible as required by code.
- 13. Site lighting with shielded fixtures may be provided to illuminate parking and pedestrian walkways, and will conform to local zoning.
- 14. Fuel Storage On site outdoor placement and storage of fuels per applicable regulations and utility requirements.
- 15. Underground or overhead utilities as regulated by code and utility rules.

#### **B. FOUNDATIONS**

- 1. Existing foundations shall be examined by a qualified professional. a. Foundations to be adequately sized, free of broken components or deterioration which may compromise the load bearing structural integrity.
- b. Design and implement structural reinforcements or reconstruction as necessary.
- 2. Above-grade masonry unit block or brick shall be reasonably stable, plumb and sound with no missing units or voids.
- 3. Pointing of mortar joints shall be specified as necessary to assure the continued integrity of the structural assembly.
- 4. New below-grade structures to conform to Chapter 18 of IBC as appropriate.

#### C. MASONRY COMPONENTS

- 1. Buildings with masonry bearing walls shall be examined for their structural integrity. Existing masonry building components shall be examined to assure sound condition, and repaired as necessary to provide the load-bearing capacity, resistance to water penetration, and aesthetic quality to assure the assemblies will perform for the purpose intended. a. Masonry shall be plumb, and structurally sound.
- 2. Repair or replace deteriorated portions or missing units. a. Brick veneer shall be sound, or repaired to be sound.
- 3. Masonry mortar joints shall be sound, and free of loose or deteriorated mortar, with no voids. a. Pointing of mortar joints shall be specified as necessary to assure the continued integrity of the structural assembly, and prevent water intrusion.
- 4. Historic masonry designated to remain shall be restored to sound serviceable condition, and in accordance with Section 106 of National Historic Preservation Act. a. Where masonry is considered historic, repairs will be carried out utilizing the Secretary of the Interior's "Standards of Rehabilitation" and related NPS Preservation Briefs for "Repointing Mortar Joints on Historic Masonry Buildings"
- 5. Chimneys a. Assure structural integrity, reconstruct, and point as necessary
- b. If used for fuel heating appliances provide lining as may be required by code and as prescribed by the heating appliance manufacturer.

#### **D. STRUCTURE**

- 1. A qualified professional shall examine each building's load-bearing structure, and assess its existing condition to determine suitability of continued use.
- 2. In general, structure evaluation and design shall be in conformance with IBC, Chapter 16. a. In most residential rehab projects where there is no change in use, it is not expected that the structure will be brought up to new construction standards.
- b. Consideration shall be given if there are any proposed changes in use which would impact the historical loading.
- 3. Deficiencies identified shall be addressed and repairs designed and specified as necessary to correct such conditions: a. Repairs shall be made to any deteriorated load-bearing structural elements.
- b. Reinforce, install supplemental or replace structural members determined not to be adequate for use.

#### E. ENCLOSURE - SHELL

- 1. Roofing a. Existing: i. Examine existing roofing and flashing systems to determine suitability for continued use. Continued life expectancy of existing roofing should be a minimum of 30 years, or covered by a plan to repair or replace during 30-year affordability period. ii. Repair existing roofing as required. iii. Existing historical slate roofs shall be repaired in accordance with the Secretary of the Interior's "Standards for Rehabilitation" project requirements if applicable.
- b. New Roofing i. New roofing shall be installed where existing roofing does not meet requirements for continued use. ii. New roofing system components shall be compatible, and include the nail base, the underlayment layer, ice & water shield self-adhesive membrane flashings, metal flashings and roofing. Strip existing roofing and dispose of properly. Examine exposed existing substrate for structural soundness Install new roofing system per code and per NCRA trade practices, and manufacturer specifications Flashings deteriorated flashings shall be replaced, and the weather proof integrity of the roof system shall be assured.
- c. Ventilation i. Roof assemblies shall be properly ventilated in accordance with applicable code requirements, and appropriate building science detailing.
- 2. Exterior Finishes a. Cladding i. Wood Siding • Examine existing siding for soundness shall be free of major cracks, rot, and other deterioration which may compromise its useful life and be suitable to hold exterior paint. Siding shall be free of gaps and holes and provide continuous weatherproof system.
- Repair or re-side as necessary to provide a weather resistant enclosure. Replace existing wood siding on historic buildings as necessary in accordance with the Secretary of the Interior's "Standards for Rehabilitation" project requirements. ii. Masonry Masonry bearing walls and veneers shall be restored as necessary. All work on historic masonry shall be done in accordance with the Secretary of the Interior's "Standards for Rehabilitation" project requirements. iii. Other existing cladding system types and materials shall be repaired and/or restored in-kind with matching or similar materials to provide a durable weather resistant enclosure.
- 3. Trim Exterior trim and architectural woodwork. a. Existing wood trim: i. Existing trim to remain must be sound, free of defects and deterioration which compromises its use. ii. Repair and restore trim to usable condition. Patch or replace in kind any deteriorated wood trim components. iii. Repair of historic woodwork and trims shall be in accordance with the Secretary of the Interior's "Standards for Rehabilitation" project requirements. b. New wood trim shall be installed in a workmanlike manner. Reference may be made to Architectural Woodwork Institute (AWI) standards. c. Other trim materials which are suitable may be used as appropriate and shall be installed per manufacturer's recommendations.
- d. Trim which is part of the weather tight enclosure shall be flashed or caulked with joint sealers as necessary to prevent water intrusion.
- 4. Paint a. In general, all existing exterior wood surfaces shall receive new paint coatings, except as appropriate due to the recent application of paint and/or the sound condition of existing coatings.
- b. Examine surfaces and apply paint only to sound acceptable materials / surfaces. i. Prepare surfaces properly, removing loose or peeling previous paint. ii. Paint prep shall be done in accordance with applicable lead safe standards. c. Before painting, assure that any moisture issues which may compromise the life expectancy of the paint system are remedied. d. Exterior paint systems shall be compatible, and installed in accordance with manufacturers' specifications.
- 5. Porches, decks and steps i. Existing porches, decks, steps and railings proposed to remain shall be examined and repaired as necessary. Repair and reconstruction shall be carried out to assure that they will have a continued useful life of 30 years, or covered by a plan to repair or reconstruct during the 30-year affordability period. ii. Inspect structure for soundness and reconstruct any deteriorated members as required. iii. Install new support piers as may be required. iv. Patch existing decking with matching materials, or install new durable decking. b. Railings i. shall be sound and adequately fastened to meet code requirements for structural loading. Repair or replace in-kind as appropriate. ii. Shall meet code requirements for height of protective guards, or have supplemental guards installed. c. Steps shall be safe

and sound and meet applicable codes, with railings as necessary. d. Historic porches designated to remain shall be restored to sound serviceable condition, and in accordance with the Secretary of the Interior's "Standards for Rehabilitation" project requirements. e. All porch elements shall be able to withstand the weather elements to prevent premature deterioration.

#### F. ACOUSTICAL TREATMENTS

1. Dwelling units separated acoustically using Chapter 1207 of IBC as a guideline minimum standard.

#### G. DOORS

- 1. General a. Doors to meet code requirements of NFPA 101, Chapters 7.2, 8.3, 30.3.6.2 & 30.2.2.2
- b. Meet egress requirements for dimensions, swing and clearances, and be accessibility compliant as required. c. Be sound and secure. d. New doors shall be installed per manufacturers' recommendations and standard trade practice standards. e. Flash properly, and have shim spaces insulated. f. Existing doors to remain should be examined and determined to be suitable for reuse with a remaining life after restoration of 30 years, or covered by a plan to repair or replace during the 30-year affordability period. i. Restore as required to provide useful life. ii. Shall be tested and modified as necessary to operate properly. iii. Install new weather stripping and sweeps to provide seal against weather elements and air infiltration. iv. Historic doors designated to remain shall be restored to sound serviceable condition, and in accordance with the Secretary of the Interior's "Standards for Rehabilitation" project requirements.
- 2. Unit doors a. Unit unit entry doors shall be fire rated as required.
- 3. Other doors Access doors shall meet code requirements for fire rating.
- 4. Door hardware shall operate properly, be secure and shall meet accessibility standards and NFPA 101, Chapters 7.2, 8.3, 30.3.6.2 & 30.2.2.2.

#### H. WINDOWS

- 1. Windows shall be of legal egress size when required by code a. In townhouse units, existing windows which are non-conforming egress size shall be reviewed for code compliance.
- 2. Existing windows: a. Existing windows to remain should be examined and determined to be suitable for reuse with a reasonable remaining life after restoration of 30 years without undue future maintenance, or covered by a plan to maintain or replace during the 30-year affordability period. b. Capable of providing adequate seal against air infiltration, weather elements, and be determined to be appropriately energy efficient in keeping with the overall energy efficiency strategy of the project. c. Install new weather stripping to provide seal against weather elements and air infiltration. d. Air seal shim spaces and window weight pockets if possible. e. Restore and modify as required to provide useful life. f. Shall be tested and modified as necessary to operate smoothly and properly per code. g. Historic windows designated to remain shall be restored to sound serviceable condition, and in accordance with the Secretary of the Interior's "Standards for Rehabilitation" project requirements. h. Hardware shall be intact and operational, or be replaced with new hardware as required
- 3. New Windows: a. where existing windows do not meet the standards for egress, condition, and/or energy efficiency deemed appropriate to the project, they shall be replaced by new windows. b. New windows shall be code compliant. Developers are encouraged to consider upgrading to Tier II level by providing R-5 windows. c. Additionally, new window units should be tested assemblies meeting ASTM standards for water penetration & air leakage. d. All windows shall be installed per manufacturer's installation guidelines and specifications, and shall incorporate appropriate detail, flashings, joint sealers, and air sealing techniques.

#### I. INTERIOR FINISHES

1. In general, all interior finishes will be new and installed per manufacturer's recommendations and the standards of quality construction per trade practices and associations related to the particular product or trade.

- 2. Per chapter 10 of NFPA 101 (Reference also Chapter 8 of the IBC).
- 3. Walls & ceilings a. Where existing finishes are proposed to remain, they will be determined to meet the standard of being sound, durable, lead-safe, and have a remaining useful life of no less than 30 years, or covered by a plan to repair or replace during the 30-year affordability period.
- 4. Flooring a. Existing wood flooring in good condition should be repaired, sanded and refinished.
- b. All new flooring materials (resilient flooring, wood flooring, laminate flooring, carpet, and/or ceramic tile) shall be installed over suitable substrates per manufacturer's specs and the trade association practices.
- 5. Trim Wood trim and architectural woodwork a. Existing trim shall be repaired and restored to usable condition, free of deterioration which compromises its use. Repair of historic woodwork & trims shall be in accordance with the Secretary of the Interior's "Standards for Rehabilitation" project requirements.
- b. New wood trim shall be installed in a workmanlike manner. Reference may be made to AWI standards.
- 6. Paint In general, all interior ceiling, wall, and trim surfaces shall receive renewed coatings of paint (or other clear/stain) finishes. Painting shall be done in a workmanlike manner, and in accordance with the manufacturer's recommendations. All painting including preparation of existing surfaces shall be done in a lead-safe manner (See Section X. N).

#### J. SPECIALTIES

- 1. Toilet accessories each bath will have appropriate accessories such as towel bars, robe hooks, bath tissue holders, etc., installed and securely fastened in place. Accessories shall be located per accessibility requirements where necessary.
- 2. Medicine cabinets and mirrors install in each unit bath as appropriate.
- 3. Signage and identification building signage shall be provided as appropriate: a. Including building address 911 #'s, units' identification, building directory, exits, stairways, common and utility spaces, etc. shall be in conformance with NFPA 101 Life Safety Code, and be accessibility compliant and 911 approved.
- 4. Exit signage will be provided as required by code and be accessibility compliant as required.
- 5. Fire protection specialties provide fire extinguishers in buildings, and in units as required by code and/or by State or local fire authorities. Locate as directed by authorities.
- 6. Shelving provide durable, cleanable shelving for pantries, linen closets, clothes closets and other storage as appropriate, securely fastened in place.

# K. EQUIPMENT

- 1. All new equipment to be ENERGY STAR® rated.
- 2. Existing equipment to be retained and continued to be used shall be in serviceable condition with an expected useful life of 30 years, or covered by a plan to replace during the 30-year affordability period.
- 3. Kitchen appliances a. provide new stove and refrigerator in each unit. b. Existing appliances to be reused shall be in good and serviceable condition. c. Provide other appliances (such as microwaves) as may be appropriate to the project. d. All appliances in accessible unit units shall be accessibility compliant, and located in an arrangement providing required clear floor spaces.
- 4. Laundries —where adequate space is available and when appropriate to meet the project goals, washers and dryers may be provided in laundry rooms or in units. a. Heat pump dryers are encouraged where appropriate and readily available. b. Where a project is served by natural gas, consideration of the use of natural gas dryers is encouraged. In projects not served by natural gas, propane fired dryers should be considered for cost of operation reasons where feasible and appropriate.
- 5. Solid waste handling Provide trash and recycling receptacles as appropriate to enable the tenants and property management staff to handle and store solid waste.
- 6. Playground equipment Provide safe, code-approved new playground equipment if a playground is appropriate to the project.

#### L. FURNISHINGS - CASEWORK

- 1. Kitchen cabinetry and counters a. Existing cabinetry and/or countertops proposed to remain shall be in good condition with a remaining useful life of 30 years, or covered by a plan to restore or replace during the 30-year affordability period. b. New cabinetry i. shall be of good quality, meeting ANSI/KCMA A161.1-2012 "Performance & Construction Standards for Kitchen Cabinetry and Bath Vanities" standards. Other industry standards for cabinetry may be used as guidelines, such as the Kitchen Cabinet Manufacturer's Association (KCMA) "Severe Use Specification 2014," the Architectural Woodwork Institute's (AWI) Woodwork Standards and Cabinet Fabrication Handbook. ii. New counters shall be provided with a cleanable sanitary surface material impervious to water such as high pressure laminate (HPL). Shop fabricated as one piece assembly where possible. Seal field joints. Installed level and securely fastened to cabinetry
- 2. Bath cabinetry and counters vanity lavatory tops, when used, should be one piece integral bowl with integral backsplash.

#### M. ASBESTOS REMOVAL

1. Project will be assessed for the existence of asbestos-containing building materials by qualified professionals: i. National Emission Standards for Hazardous Air Pollutants (NESHAP) apply. ii. Removal of asbestos shall be carried out per Federal EPA and State regulations and rules.

#### N. LEAD-BASED PAINT

As required under 24 CFR Part 35, the Final HUD Regulation on Lead-Based Paint Hazards in Federally Owned Housing and Housing Receiving Federal Assistance, all assisted dwelling units constructed before January 1, 1978, will be evaluated for lead-based paint hazards or presumed to have lead-based paint present throughout the unit when paint is disturbed.

- 1. Evaluation will be done by a qualified, certified or licensed person as required under the regulation.
- 2. All lead-based paint hazards will be identified and reduced or eliminated through paint stabilization, interim controls or abatement with work being done by supervised, trained, qualified, certified or licensed persons as required under the regulation.
- 3. Safe work practices will be followed at all times.
- 4. Occupants shall be protected or temporarily relocated as required by the regulation. With some exceptions, as listed at 24 CFR 35.1345, occupants shall be temporarily relocated before and during hazard reduction activities to a suitable, decent, safe and similarly accessible dwelling unit that does not have lead hazards.
- 5. The dwelling unit and worksite shall be secured. The worksite shall be prepared and warning signs shall be posted as required by the regulation.
- 6. Clearance examinations will be performed by qualified personnel and final clearance shall be cleared by DEQ certified personnel.

# O. CONVEYANCE SYSTEMS

- 1. Elevators may be installed when appropriate and possible, when such elevator is part of the project's program goals, or as required by code, as follows: a. Installed per code NFPA 101, Chapter 9.4
- b. ASME 17.1 Safety Code for Elevators 2013
- 2. Existing elevators and lifts may be retained if they are appropriate to the use of the building and in serviceable condition with an expected useful life of 30 years, or covered by a plan to maintain or replace during the 30-year affordability period, and approved by agencies having jurisdiction.

# P. MECHANICAL

- 1. General: a. all mechanical systems shall be designed by a mechanical engineer or other qualified professional. b. All mechanical systems shall meet all applicable codes.
- 2. Fire protection a. In general, all buildings assisted with HTF funds shall have fire suppression as required by applicable codes with approved sprinkler systems installed as required by NFPA 101 and NFPA 1: i.

System design to conform to applicable NFPA standard 13 or 13R. ii. System installed by State approved persons. iii. Underground water services for sprinkler system shall meet NFPA 24

- iv. Provide fire pumps, standpipes, and fire department connection as required per NFPA 13, 14 & 25.
- b. Where possible, piping for the sprinkler system shall be concealed.
- 3. Plumbing a. Where existing components of a system are to be reused, they will be examined and determined to be in good condition, code compliant and have a remaining useful life of a minimum of 30 years, or covered by a plan to repair or replace during the 30-year affordability period. Substandard or critical non-code compliant components shall be replaced. b. Use water-saving shower heads and faucet aerators. c. All fixtures, piping fittings and equipment shall be lead-free. d. Kitchen fixtures When existing kitchen fixtures are not reused in accordance with a. above, new sinks and faucets, and associated plumbing shall be installed in each unit. e. Bath fixtures When existing bath fixtures are not reused in accordance with a. above, new toilets, tubs and tub surrounds, lavatory sinks, and faucets shall be installed in each unit. i. Three and four-bedroom units are encouraged to be designed to include 1½ baths minimum where adequate space is available. f. Provision for laundry rooms or laundry hook-ups may be made per project's program requirements. g. Provision for other utility plumbing for janitor sinks, floor drains, outdoor faucets, drains for dehumidification systems, etc., may be made as desired or required.
- 4. Heating a. System design: a. where existing components of a system are proposed to be reused, they will be examined and determined to be in good and serviceable condition, code compliant and have a remaining useful life of a minimum of 30 years, or covered by a plan to repair or replace during the 30-year affordability period. b. Temperature control The temperature in each unit shall be individually thermostatically controlled. c. Provide adequate heat in common spaces. d. Install pipe insulation with minimum 1.5" wall thickness.
- 5. Ventilation a. Code-compliant indoor air quality will be addressed by the installation of either exhaust only or balanced (heat recovery) ventilation systems as required by: Fire protection of system ducts per NFPA 101, Chapter 9.2 b. Balanced mechanical ventilation systems are encouraged. c. Ventilation controls shall be per applicable codes
- 6. Domestic Hot Water: a. System shall be designed as required for efficiency. b. Install pipe insulation per code.

# Q. ELECTRICAL

- 1. Project electrical design should be done by a licensed electrical engineer, or other qualified professional.
- 2. Project electrical must be installed by a licensed electrician
- 3. Design shall be comply with all the applicable codes: a. Oklahoma State and local fire codes. b. NFPA 101, Life Safety Code c. NFPA 70, National Electrical Code, 2011 Edition d. NFPA 72, National Fire Alarm and Signaling Code e. NFPA 20, Standard for the Installation of Stationary Pumps for Fire Protection 4. In general, the electrical system should be new throughout a building: a. Where existing service entrances, disconnects, meters, distribution wiring, panels, and devices are proposed to remain, they will be examined and determined to be in good condition, code compliant and have a remaining useful life of a minimum of 30 years, or covered by a plan to repair or replace during the 30-year affordability period. The designer, in concert with the State electrical inspector, shall examine the system and equipment. Existing components
- components shall be replaced.

  5. Utility connections shall be installed per the rules and regulations of the electrical utility.
- 6. Electrical service and metering: a. the service entrance size shall be calculated to handle the proposed electrical loads. b. Metering and disconnects shall be per code and mounted at approved locations.

of the electrical system may be reused as appropriate. Substandard or critical non-code compliant

- 7. Elevator wiring shall conform to the ANSI 17.1 as modified by State or local codes.
- 8. Electrical distribution system: a. Lighting and receptacle circuits shall be designed per code.
- b. Locations and layout of devices and lighting to be logical and accessibility compliant where required.
- c. Provision shall be made for the wiring of dedicated equipment circuits and connections for heating, ventilation equipment/exhaust fans, pumps, appliances, etc.

- 9. Artificial Lighting shall be provided using IBC 1205 as a minimum guideline. Developers are encouraged to upgrade to Energy Star® Category.
- 10. Site lighting with shielded fixtures may be provided to illuminate parking and pedestrian walkways, and will conform to local zoning.
- 11. Emergency and exit lighting/illuminated signage shall be per the NFPA 101, Life Safety Code.

# ATTACHMENT B OKLAHOMA HOUSING FINANCE AGENCY Uniform Physical Condition Standards for Housing Rehabilitation

# Oklahoma Housing Finance Agency National Housing Trust Fund / Minimum Rehab Standards

Please note: Regardless of the standards set forth herein, all housing assisted by Housing Trust Fund monies must meet all applicable State and local codes, ordinances and requirements, as well as such other requirements HUD may establish. In the absence of State or local building codes, the housing must meet the International Existing Building Code or the International Code Council

For Rental housing, Awardees must produce an estimate, based on age and condition, of the remaining useful life of all major systems, including structural support, roofing, cladding and weatherproofing, plumbing, electrical, and HVAC.

A capital needs assessment (CNA), prepared no longer than 18 months prior to the date of Application, is required for all multi-family Rental Rehabilitation or Acquisition/Rehabilitation Projects of 26 or more units, and for all Applications in conjunction with Affordable Housing Tax Credits, regardless of the number of units. A CNA may be requested by OHFA for smaller Projects if deemed necessary to properly underwrite the Projects. Capital needs assessments performed for the same Project as a requirement of another funding source will be accepted in lieu of a specific CNA for the HTF Application. Capital Needs Assessment (CNA) means a qualified professional's opinion of a property's current physical condition determined after a physical inspection of the interior and exterior of the units and structures. The physical inspection should include an interview with the onsite manager and maintenance personnel. This assessment should identify deferred maintenance, physical needs, remaining useful life, material building code violations that affect the property use, structural and mechanical integrity, and the future physical and financial needs. The assessment must include the cost of labor and materials identified in detail and the extent of future expenditures contemplated to ensure the costs will be addressed through operating and replacement reserves. Components which should be examined and analyzed in this assessment include but are not limited to:

- Site, including topography, drainage, pavement, curbing, sidewalks, parking, landscaping, amenities, water, sewer, storm drainage, gas and electric utility lines;
- Structural systems, both substructure and superstructure, including exterior walls and balconies, exterior doors and windows, roofing system and drainage;
- Interiors, including unit and common area finishes (carpeting, vinyl or tile flooring, plaster walls, paint condition, etc.), unit kitchen finishes, cabinets and appliances, unit bathroom finishes and fixtures, and common area lobbies and corridors; and
- Mechanical systems, including plumbing and domestic hot water, HVAC, electrical, lighting fixtures, fire protection, and elevators.

In all cases, if the remaining useful life of one or more major systems is less than the Period of Affordability, the Awardee must establish and maintain a replacement reserve and make adequate monthly payments thereto, such that there are sufficient funds to repair or replace systems as needed.

For Homebuyer housing, upon completion each of the major systems must have a minimum useful life of five years, or the major systems must be rehabilitated or replaced as a part of the rehabilitation work.

If the housing is occupied at the time of rehabilitation, Awardees must identify any life-threatening deficiencies and must address them immediately before any further work is undertaken. The potential life-threatening deficiencies, pursuant to the Uniform Physical Condition Standards (UPCS), are highlighted in orange on Attachment A, which contains the complete list of inspectable items covered by UPCS.

OHFA will review and approve all written cost estimates and ensure that construction contracts and work performed will meet these Rehabilitation Standards.

OHFA will conduct initial, progress and final inspections to ensure that all work is done in accordance to work write-ups.

#### I. PURPOSE OF STANDARDS

- A. The National Housing Trust Fund Rehabilitation Standards (known herein as the "HTF Standards") are designed to outline the requirements for building rehabilitation for all National Housing Trust Fund (HTF) funded multi-family housing projects in the State of Oklahoma. The HTF Standards, though a requirement specifically to the development entity in direct receipt of HTF funding, are written to provide guidance to all relevant members of a project development team.
- B. The goal of the HTF Program is to provide functional, safe, affordable and durable housing that meets the needs of the tenants and communities in which the housing is located. The purpose of the HTF Standards is to ensure that property rehabilitation puts each building in the best possible position to meet this goal over its extended life and that, at a minimum, all health and safety deficiencies are addressed.
- C. If a project is out of compliance with the HTF Standards, the Awardee shall bring to the attention of OHFA Staff the specific portion of the project which does not comply, stating the reasons for non-compliance. OHFA Staff will make a determination as to whether an exception to the HTF Standards shall be granted.
- D. Note: At the time of publication and adoption of the HTF Standards, the adopted codes referenced are believed to be those in force. As standards and codes change and are put into effect by the governing authorities having jurisdiction, the new standards and codes will apply in lieu of those referenced.

# **II. QUAILITY OF WORK**

A. Quality of Work: Awardees and developers shall ensure that all rehabilitation work is completed in a thorough and workmanlike manner in accordance with industry practice and contractually agreed upon plans and specifications as well as subsequent mutually agreed upon change orders during the construction process. Awardees and developers will employ best practice industry standards relating to quality assurance to verify all work completed.

- B. By meeting the various code requirements as a minimum standard, together with the other standards herein or in attendant OHFA policies, each building rehabilitation project is assured to be brought up to an acceptable level of rehabilitation.
- C. Warranties shall be required per the standard construction contracts on all materials, equipment and workmanship.

#### III. CODE COMPLIANCE

- **A.** All work shall comply with all applicable Oklahoma State and local codes, ordinances, and zoning requirements
- **B.** Please note that the OHFA HTF Awardee must demonstrate compliance with all State and local codes through project affiliation with professional design team drawing certifications (e.g. architectural design stamp) and/or other approved methods such as State inspector certification.
- C. The HTF Standards are designed to meet or exceed the Uniform Physical Condition Standards (UPCS) and ensure that upon completion, the HTF-assisted project and units will be decent, safe, sanitary, and in good repair as described in 24 CFR 5.703. See Attachment A for a list of Inspectable Items and Observable Deficiencies, including descriptions of the type and degree of deficiency for each item that any HTF-assisted project must address, at a minimum.

#### **IV. HEALTH AND SAFETY**

**A.** If the housing is occupied at the time of rehabilitation, any life-threatening deficiencies must be identified and addressed immediately. See Attachment A for a list of Inspect-able Items and Observable Deficiencies, including the identification of life-threatening deficiencies (highlighted in orange) for the property site, building exterior, building systems, common areas, and units.

#### V. SCOPE OF WORK DETERMINATION

**A.** In developing scopes of work, Awardees and developers will work with OHFA to ensure that all requirements under the HTF Standards are satisfied and that the proposed scope of work meets the goals of Part I above. OHFA approval of all scopes of work is required in accordance with OHFA standard practices.

#### **VI. EXPECTED USEFUL LIFE**

A. In developing scopes of work on housing rehabilitation projects, OHFA HTF Awardees and developers will consider the remaining expected useful life of all building components with regard to building long-term sustainability and performance. Specifically, each building component with a remaining expected useful life of less than the applicable HTF period of affordability (30 years) shall be considered for replacement, repair or otherwise updated. Additionally, new building components with an expected useful life of less than 30 years shall be considered for future replacement.

B. OHFA Staff will underwrite the proposed project to determine if sufficient replacement reserves will be set aside each month to cover the full cost of any such replacement, repair or update. Whether or not a particular building component has been replaced, repaired or otherwise updated as part of the rehabilitation scope of work, all building components and major systems must demonstrate adequate funding to be viable throughout the 30-year affordability period.

#### **VII. DISASTER MITIGATION**

- A. To the extent applicable/relevant, the housing must be improved to mitigate the impact of potential disasters (e.g. earthquakes, tornadoes, floods, wildfires) in accordance with State or local codes, ordinances, and requirements, or such other requirements that HUD may establish. The relevant State codes are the International Residential Code of 2009, as amended, for new construction and the International Building Code for rehabilitation.
- B. In addition, construction of the housing must adhere to the Oklahoma Standard Hazard Mitigation Plan adopted in 2014. Awardees of HTF funds should particularly review and adhere to Chapter 3 regarding Risk Assessment and Chapter 4 regarding Mitigation Strategies.

#### **VIII. ENERGY CONSERVATION**

- A. Equipment, appliances, windows, doors and appurtenances replaced during rehabilitation shall be replaced with Energy Star qualified products.
- B. If feasible, attics should be insulated to R38 and walls to a minimum of R11.
- C. Replacement heating and/or cooling systems shall be properly sized as evidenced by completion of ACCA/ANSI Manual J® or an equivalent sizing calculation tool. All accessible air ducts shall be tightly sealed. Heating or cooling supply running through unconditioned space should be avoided or rerouted if possible, but when present and accessible, shall be insulated.

# IX. ACCESSIBILITY REQUIREMENTS

- A. Housing that is rehabilitated with HTF funds must meet all applicable federal and State regulations regarding accessibility for persons with disabilities. The applicability of these rules is complex and therefore it is recommended that developers seeking HTF funds consult with a qualified design professional
- B. Projects shall comply with other standards as may apply or be required by funding sources (i.e.
- C. Projects, if applicable, shall comply with Section 504 of the Rehabilitation Act of 1973 implemented at 24 CFR Part 8 a. For "substantial" rehabilitation (projects with 15 or more total units and the cost of rehabilitation is 75% or more of the replacement cost): i. At least 5% of the units (1 minimum) must be made fully accessible for persons with mobility impairments based on the Uniform Federal Accessibility Standards (UFAS) ii. In addition, at least 2% of the units (1 additional unit minimum) must be made accessible for persons with

- sensory impairments. iii. Common spaces must be made accessible to the greatest extent feasible
- D. For projects with "less-than-substantial" rehabilitation (anything less than "substantial"), the project must be made accessible to the greatest extent feasible until 5% of the units are physically accessible, and common spaces should be made accessible as much as possible.

#### X. Rehabilitation Construction Standards

#### A. **SITE** 1. General:

a. Assure that the site is safe, clean and usable, and designed with details, assemblies and

materials to provide ongoing durability without undue future maintenance.

- b. Site design and engineering shall be by a licensed professional civil engineer, or other qualified professional.
- c. Design and systems shall conform to all applicable codes, rules and regulations:
  - i. Local and municipal zoning; ii. NFPA Codes as they may apply
- 2. Sprinkler water service Underground water service as required for building sprinkler system shall be in accordance with NFPA 24
- 3. Drainage assure that the grading surrounding the building will slope away from the building and drain properly, without ponding or erosion.
- 4. Sewer connections to municipal sewage systems and on-site sewage disposal:
  - a. Existing sewer laterals that are to be reused should be evaluated to assure that they are serviceable and have a remaining useful life of 30 years, or are covered by a plan to repair or replace during the 30-year affordability period.
  - b. New systems designed to conform to the State codes and regulations.

# 5. Water service:

- a. Existing municipal water supplies to buildings shall be evaluated to assure that they are serviceable, of adequate capacity and have a remaining useful life of 30 years, or are covered by a plan to repair or replace during the 30-year affordability period.
- b. Required new systems shall be designed to conform to State codes and regulations.
- 6. Vehicular access to public way site design shall conform to local zoning and regulations, as well as be sensible in its layout to maximize vehicular and pedestrian safety
- 7. On-site parking parking shall be adequate for project type, meet local codes, and be designed to drain well, with a durable appropriate surface material. Handicapped parking shall be provided as required.
- 8. Pedestrian access and hardscape In general, paved walkways within the site will be designed to provide sensible pedestrian access from the public way into the site, from parking areas, and provide access to buildings. All walkways should generally conform to applicable codes for width and slopes, and fall protection. Site stairs shall be safe and sound, constructed of durable materials, with proper

- rise and run, and with code approved railings as required. Accessible routes into buildings shall be provided as required by code.
- 9. Site amenities site amenities may be provided which enhance the livability of the project including playground areas, seating, benches, patio areas, picnic tables, bike racks, grills, and fencing, etc.
- 10. Mailboxes Provision will be made for USPS-approved cluster mailbox units if required by the USPS
- 11. Landscaping lawns, ground cover, planting beds, perennial plants, shrubs and trees may be provided to enhance the livability, and to provide a positive aesthetic sense. a. Planting choices specified should be low maintenance, non-invasive species, of an appropriate size and scale and located, when adjacent to building structures, with regard to their size at maturity.
- 12. Solid waste collection & storage if necessary, provision shall be made for the outdoor storage and collection of solid waste and recycling materials in receptacles (dumpsters, wheeled trash cans, totes). Enclosures may be provided and should be accessible as required by code. 13. Site lighting with shielded fixtures may be provided to illuminate parking and pedestrian walkways, and will conform to local zoning.
- 13. Fuel Storage On site outdoor placement and storage of fuels per applicable regulations and utility requirements.
- 14. Underground or overhead utilities as regulated by code and utility rules.

#### **B FOUNDATIONS**

- 1. Existing foundation shall be examined by a qualified professional.
  - a. Foundations to be adequately sized, free of broken components or deterioration which may compromise the load bearing structural integrity.
  - b. Design and implement structural reinforcements or reconstruction as necessary.
- 2. Above-grade masonry unit block or brick shall be reasonably stable, plumb and sound with no missing units or voids
- 3. Pointing of mortar joints shall be specified as necessary to assure the continued integrity of the structural assembly.
- 4. New below-grade structures to conform to Chapter 18 of IBC as appropriate.

# C MASONRY COMPONENTS

- Buildings with masonry bearing walls shall be examined for their structural integrity.
   Existing masonry building components shall be examined to assure sound condition, and repaired as necessary to provide the load-bearing capacity, resistance to water penetration, and aesthetic quality to assure the assemblies will perform for the purpose intended. a. Masonry shall be plumb, and structurally sound.
- 2. Repair or replace deteriorated portions or missing units. a. Brick veneer shall be sound, or repaired to be sound.

- 3. Masonry mortar joints shall be sound, and free of loose or deteriorated mortar, with no voids. a. Pointing of mortar joints shall be specified as necessary to assure the continued integrity of the structural assembly, and prevent water intrusion.
- 4. Historic masonry designated to remain shall be restored to sound serviceable condition, and in accordance with Section 106 of National Historic Preservation Act. a. Where masonry is considered historic, repairs will be carried out utilizing the Secretary of the Interior's "Standards of Rehabilitation" and related NPS Preservation Briefs for "Repointing Mortar Joints on Historic Masonry Buildings"

# 5. Chimneys

- a. Assure structural integrity, reconstruct, and point as necessary
- b. If used for fuel heating appliances provide lining as may be required by code and as prescribed by the heating appliance manufacturer

#### **D STRUCTURE**

- 1. A qualified professional shall examine each building's load-bearing structure, and assess its existing condition to determine suitability of continued use.
- 2. In general, structure structure evaluation and design shall be in conformance with IBC, Chapter 16.
  - a. In most residential rehab projects where there is no change in use, it is not expected that the structure will be brought up to new construction standards
  - b. Consideration shall be given if there are any proposed changes in use which would impact the historical loading.
- 3. Deficiencies identified shall be addressed and repairs designed and specified as necessary to correct such conditions:
  - a. Repairs shall be made to any deteriorated load-bearing structural elements.
  - b. Reinforce, install supplemental or replace structural members determined not to be adequate for use.

# E ENCLOSURE - SHELL

- 1. Roofing
  - a. Existing:
    - i. Examine existing roofing and flashing systems to determine suitability for continued use. Continued life expectancy of existing roofing should be a minimum of 30 years, or covered by a plan to repair or replace during 30-year affordability period. ii. Repair existing roofing as required. iii. Existing historical slate roofs shall be repaired in accordance with the Secretary of the Interior's "Standards for Rehabilitation" project requirements if applicable.
  - b. New Roofing
    - i. New roofing shall be installed where existing roofing does not meet requirements for continued use.

- ii. New roofing system components shall be compatible, and include

   the nail base, the underlayment layer, ice & water shield self adhesive membrane flashings, metal flashings and roofing.
  - Strip existing roofing and dispose of properly.
  - Examine exposed existing substrate for structural soundness
  - Install new roofing system per code and per NCRA trade practices, and manufacturer specifications
  - Flashings deteriorated flashings shall be replaced, and the weather proof integrity of the roof system shall be assured

#### c. Ventilation

i. Roof assemblies shall be properly ventilated in accordance with applicable code requirements, and appropriate building science detailing.

#### 2. Exterior Finishes

- a. Cladding
  - i. Wood Siding -
    - Examine existing siding for soundness shall be free of major cracks, rot, and other deterioration which may compromise its useful life and be suitable to hold exterior paint
    - Siding shall be free of gaps and holes and provide continuous weatherproof system
    - Repair or re-side as necessary to provide a weather resistant enclosure.
    - Replace existing wood siding on historic buildings as necessary in accordance with the Secretary of the Interior's "Standards for Rehabilitation" project requirements.

# ii. Masonry

- Masonry bearing walls and veneers shall be restored as necessary.
   All work on historic masonry shall be done in accordance with the Secretary of the Interior's "Standards for Rehabilitation" project requirements
- iii. Other existing cladding system types and materials shall be repaired and/or restored in-kind with matching or similar materials to provide a durable weather resistant enclosure.
- 3. Trim Exterior trim and architectural woodwork.
  - a. Existing wood trim:
    - i. Existing trim to remain must be sound, free of defects and deterioration which compromises its use. ii. Repair and restore trim to usable condition. Patch or replace in kind any deteriorated wood trim components. iii. Repair of historic woodwork and trims shall be in accordance with the Secretary of the Interior's "Standards for Rehabilitation" project requirements

- b. New wood trim shall be installed in a workmanlike manner. Reference may be made to Architectural Woodwork Institute (AWI) standards.
- c. Other trim materials which are suitable may be used as appropriate and shall be installed per manufacturer's recommendations.
- d. Trim which is part of the weather tight enclosure shall be flashed or caulked with joint sealers as necessary to prevent water intrusion.

# 4. Paint

- a. In general, all existing exterior wood surfaces shall receive new paint coatings, except as appropriate due to the recent application of paint and/or the sound condition of existing coatings
- b. Examine surfaces and apply paint only to sound acceptable materials / surfaces.
  - i. Prepare surfaces properly, removing loose or peeling previous paint
  - ii. Paint prep shall be done in accordance with applicable lead safe standards
- c. Before painting, assure that any moisture issues which may compromise the life expectancy of the paint system are remedied.
- d. Exterior paint systems shall be compatible, and installed in accordance with manufacturers' specifications

# 5. Porches, decks and steps

- i. Existing porches, decks, steps and railings proposed to remain shall be examined and repaired as necessary. Repair and reconstruction shall be carried out to assure that they will have a continued useful life of 30 years, or covered by a plan to repair or reconstruct during the 30-year affordability period.
- ii. Inspect structure for soundness and reconstruct any deteriorated members as required. iii. Install new support piers as may be required.
- iii. Install new support priers may be required.
- iv. Patch existing decking with matching materials, or install new durable decking.

# b. Railings

- i. shall be sound and adequately fastened to meet code requirements for structural loading. Repair or replace in-kind as appropriate
- ii. Shall meet code requirements for height of protective guards, or have supplemental guards installed.
- c. Steps shall be safe and sound and meet applicable codes, with railings as necessary.
- d. Historic porches designated to remain shall be restored to sound serviceable condition, and in accordance with the Secretary of the Interior's "Standards for Rehabilitation" project requirements.
- e. All porch elements shall be able to withstand the weather elements to prevent premature deterioration.

#### F. ACOUSTICAL TREATMENTS

1. Dwelling units separated acoustically using Chapter 1207 of IBC as a guideline minimum standard.

#### G. DOORS

# 1. General

a. Doors to meet code requirements of NFTPA 101, Chapters 7.2, 8.3, 30.3.6.2 & 30.2.2.2

- b. Meet egress requirements for dimensions, swing and clearances, and be accessibility compliant as required.
- c. Be sound and secure.
- d. New doors shall be installed per manufacturers' recommendations and standard trade practice standards.
- e. Flash properly, and have shim spaces insulated.
- f. Existing doors to remain should be examined and determined to be suitable for reuse with a remaining life after restoration of 30 years, or covered by a plan to repair or replace during the 30-year affordability period.
  - i. Restore as required to provide useful life
  - ii. Shall be tested and modified as necessary to operate properly.
  - iii. Install new weather stripping and sweeps to provide seal against weather elements and air infiltration.
  - iv. Historic doors designated to remain shall be restored to sound serviceable condition, and in accordance with the Secretary of the Interior's "Standards for Rehabilitation" project requirements.
- 2. Unit doors a. Unit entry doors shall be fire rated as required.
- 3. Other doors Access doors shall meet code requirements for fire rating.
- 4. Door hardware shall operate properly, be secure and shall meet accessibility standards and NFPA 101, Chapters 7.2, 8.3, 30.3.6.2 & 30.2.2.2.

#### H. WINDOWS

- 1. Windows shall be of legal egress size when required by code a. In townhouse units, existing windows which are non-conforming egress size shall be reviewed for code compliance.
- 2. Existing windows:
  - a. Existing windows to remain should be examined and determined to be suitable for reuse with a reasonable remaining life after restoration of 30 years without undue future maintenance, or covered by a plan to maintain or replace during the 30-year affordability period.
  - b. Capable of providing adequate seal against air infiltration, weather elements, and be determined to be appropriately energy efficient in keeping with the overall energy efficiency strategy of the project.
  - c. Install new weather stripping to provide seal against weather elements and air infiltration.
  - d. Air seal shim spaces and window weight pockets if possible.
  - e. Restore and modify as required to provide useful life.
  - f. Shall be tested and modified as necessary to operate smoothly and properly per code.
  - g. Historic windows designated to remain shall be restored to sound serviceable condition, and in accordance with the Secretary of the Interior's "Standards for Rehabilitation" project requirements.
  - h. Hardware shall be intact and operational, or be replaced with new hardware as required.

#### 3. New Windows:

- a. where existing windows do not meet the standards for egress, condition, and/or energy efficiency deemed appropriate to the project, they shall be replaced by new windows.
- b. New windows shall be code compliant. Developers are encouraged to consider upgrading to Tier II level by providing R-5 windows.
- c. Additionally, new window units should be tested assemblies meeting ASTM standards for water penetration & air leakage.

d. All windows shall be installed per manufacturer's installation guidelines and specifications, and shall incorporate appropriate detail, flashings, joint sealers, and air sealing techniques.

#### I. INTERIOR FINISHES

- 1. In general, all interior finishes will be new and installed per manufacturer's recommendations and the standards of quality construction per trade practices and associations related to the particular product or trade.
- 2. Per chapter 10 of NFPA 101 (Reference also Chapter 8 of the IBC).
- 3. Walls & ceilings a. Where existing finishes are proposed to remain, they will be determined to meet the standard of being sound, durable, lead-safe, and have a remaining useful life of no less than 30 years, or covered by a plan to repair or replace during the 30-year affordability period.
- 4. Flooring
  - a. Existing wood flooring in good condition should be repaired, sanded and refinished.
  - b. All new flooring materials (resilient flooring, wood flooring, laminate flooring, carpet, and/or ceramic tile) shall be installed over suitable substrates per manufacturer's specs and the trade association practices.
- 5. Trim Wood trim and architectural woodwork
  - a. Existing trim shall be repaired and restored to usable condition, free of deterioration which compromises its use. Repair of historic woodwork & trims shall be in accordance with the Secretary of the Interior's "Standards for Rehabilitation" project requirements.
  - b. New wood trim shall be installed in a workmanlike manner. Reference may be made to AWI standards.
- 6. Paint In general, all interior ceiling, wall, and trim surfaces shall receive renewed coatings of paint (or other clear/stain) finishes. Painting shall be done in a workmanlike manner, and in accordance with the manufacturer's recommendations. All painting including preparation of existing surfaces shall be done in a lead-safe manner (See Section X. N).

#### J. SPECIALTIES

- 1. Toilet accessories each bath will have appropriate accessories such as towel bars, robe hooks, bath tissue holders, etc., installed and securely fastened in place. Accessories shall be located per accessibility requirements where necessary.
- 2. Medicine cabinets and mirrors install in each unit bath as appropriate.
- 3. Signage and identification building signage shall be provided as appropriate: a. Including building address 911 #'s, units' identification, building directory, exits, stairways, common and utility spaces, etc. shall be in conformance with NFPA 101 Life Safety Code, and be accessibility compliant and 911 approved.
- 4. Exit signage will be provided as required by code and be accessibility compliant as required.
- 5. Fire protection specialties provide fire extinguishers in buildings, and in units as required by code and/or by State or local fire authorities. Locate as directed by authorities.
- 6. Shelving provide durable, cleanable shelving for pantries, linen closets, clothes closets and other storage as appropriate, securely fastened in place.

# K. EQUIPMENT

- 1. All new equipment to be ENERGY STAR® rated.
- 2. Existing equipment to be retained and continued to be used shall be in serviceable condition with an expected useful life of 30 years, or covered by a plan to replace during the 30-year affordability period.
- 3. Kitchen appliances a. provide new stove and refrigerator in each unit. b. Existing appliances to be reused shall be in good and serviceable condition. c. Provide other appliances (such as

- microwaves) as may be appropriate to the project. d. All appliances in accessible unit units shall be accessibility compliant, and located in an arrangement providing required clear floor spaces.
- 4. Laundries —where adequate space is available and when appropriate to meet the project goals, washers and dryers may be provided in laundry rooms or in units. a. Heat pump dryers are encouraged where appropriate and readily available. b. Where a project is served by natural gas, consideration of the use of natural gas dryers is encouraged. In projects not served by natural gas, propane fired dryers should be considered for cost of operation reasons where feasible and appropriate.
- 5. Solid waste handling Provide trash and recycling receptacles as appropriate to enable the tenants and property management staff to handle and store solid waste.
- 6. Playground equipment Provide safe, code-approved new playground equipment if a playground is appropriate to the project.

#### L. FURNISHINGS-CASEWORK

- 1. Kitchen cabinetry and counters
  - a. Existing cabinetry and/or countertops proposed to remain shall be in good condition with a remaining useful life of 30 years, or covered by a plan to restore or replace during the 30-year affordability period.
  - b. New cabinetry
    - shall be of good quality, meeting ANSI/KCMA A161.1-2012 "Performance & Construction Standards for Kitchen Cabinetry and Bath Vanities" standards.
       Other industry standards for cabinetry may be used as guidelines, such as the Kitchen Cabinet Manufacturer's Association (KCMA) "Severe Use Specification 2014," the Architectural Woodwork Institute's (AWI) Woodwork Standards and Cabinet Fabrication Handbook.
    - ii. New counters shall be provided with a cleanable sanitary surface material impervious to water such as high pressure laminate (HPL).
      - 1. Shop fabricated as one piece assembly where possible. Seal field joints.
      - 2. Installed level and securely fastened to cabinetry
- 2. Bath cabinetry and counters vanity lavatory tops, when used, should be one piece integral bowl with integral backsplash

#### M. ASBESTOS REMOVAL

- 1. Project will be assessed for the existence of asbestos-containing building materials by qualified professionals:
  - a. National Emission Standards for Hazardous Air Pollutants (NESHAP) apply
  - b. Removal of asbestos shall be carried out per Federal EPA and State regulations and rules.

#### N. LEAD BASED PAINT

As required under 24 CFR Part 35, the Final HUD Regulation on Lead-Based Paint Hazards in Federally Owned Housing and Housing Receiving Federal Assistance, all assisted dwelling units constructed before January 1, 1978, will be evaluated for lead-based paint hazards or presumed to have lead-based paint present throughout the unit when paint is disturbed

1. Evaluation will be done by a qualified, certified or licensed person as required under the regulation

- 2. All lead-based paint hazards will be identified and reduced or eliminated through paint stabilization, interim controls or abatement with work being done by supervised, trained, qualified, certified or licensed persons as required under the regulation
- 3. Safe work practices will be followed at all times.
- 4. Occupants shall be protected or temporarily relocated as required by the regulation. With some exceptions, as listed at 24 CFR 35.1345, occupants shall be temporarily relocated before and during hazard reduction activities to a suitable, decent, safe and similarly accessible dwelling unit that does not have lead hazards.
- 5. The dwelling unit and worksite shall be secured. The worksite shall be prepared and warning signs shall be posted as required by the regulation.
- 6. Clearance examinations will be performed by qualified personnel and final clearance shall be cleared by DEQ certified personnel.

#### O. CONVEYANCE SYSTEMS

- 1. Elevators may be installed when appropriate and possible, when such elevator is part of the project's program goals, or as required by code, as follows:
  - a. Installed per code NFPA 101, Chapter 9.4
  - b. ASME 17.1 Safety Code for Elevators 2013
- 2. Existing elevators and lifts may be retained if they are appropriate to the use of the building and in serviceable condition with an expected useful life of 30 years, or covered by a plan to maintain or replace during the 30-year affordability period, and approved by agencies having jurisdiction.

#### P. MECHANICAL

#### 1. General:

- a. all mechanical systems shall be designed by a mechanical engineer or other qualified professional.
- b. All mechanical systems shall meet all applicable codes.

#### 2. Fire protection

- a. In general, all buildings assisted with HTF funds shall have fire suppression as required by applicable codes with approved sprinkler systems installed as required by NFPA 101 and NFPA 1:
  - i. System design to conform to applicable NFPA standard 13 or 13R.
  - ii. System installed by State approved persons.
  - iii. Underground water services for sprinkler system shall meet NFPA 24
  - iv. Provide fire pumps, standpipes, and fire department connection as required per NFPA 13, 14 & 25.
- b. Where possible, piping for the sprinkler system shall be concealed.

# 3. Plumbing

a. Where existing components of a system are to be reused, they will be examined and determined to be in good condition, code compliant and have a remaining useful life of a minimum of 30 years, or covered by a plan to repair or replace during the 30-year affordability period. Substandard or critical noncode compliant components shall be replaced.

- b. Use water-saving shower heads and faucet aerators.
- c. All fixtures, piping fittings and equipment shall be lead-free.
- d. Kitchen fixtures When existing kitchen fixtures are not reused in accordance with a. above, new sinks and faucets, and associated plumbing shall be installed in each unit.
- e. Bath fixtures When existing bath fixtures are not reused in accordance with a. above, new toilets, tubs and tub surrounds, lavatory sinks, and faucets shall be installed in each unit.
  - i. Three and four-bedroom units are encouraged to be designed to include 1½ baths minimum where adequate space is available.
- f. Provision for laundry rooms or laundry hook-ups may be made per project's program requirements.
- g. Provision for other utility plumbing for janitor sinks, floor drains, outdoor faucets, drains for dehumidification systems, etc., may be made as desired or required.

# 4. Heating a System Design

- a. where existing components of a system are proposed to be reused, they will be examined and determined to be in good and serviceable condition, code compliant and have a remaining useful life of a minimum of 30 years, or covered by a plan to repair or replace during the 30-year affordability period.
- b. Temperature control The temperature in each unit shall be individually thermostatically controlled.
- c. Provide adequate heat in common spaces.
- d. Install pipe insulation with minimum 1.5" wall thickness

# 5. Ventilation

- a. Code-compliant indoor air quality will be addressed by the installation of either exhaust only or balanced (heat recovery) ventilation systems as required by:
  - i. Fire protection of system ducts per NFPA 101, Chapter 9.2
- b. Balanced mechanical ventilation systems are encouraged
- c. Ventilation controls shall be per applicable codes
- 6. Domestic Hot Water:
  - a. System shall be designed as required for efficiency
  - b. Install pipe insulation per code

#### Q. ELECTRICAL

- 1. Project electrical design should be done by a licensed electrical engineer, or other qualified professional.
- 2. Project electrical must be installed by a licensed electrician.
- 3. Design shall comply with all the applicable codes:
  - a. Oklahoma State and local fire codes.
    - i. NFPA 101, Life Safety Code
    - ii. NFPA 70, National Electrical Code, 2011 Edition
    - iii. NFPA 72, National Fire Alarm and Signaling Code
    - iv. NFPA 20, Standard for the Installation of Stationary Pumps for Fire Protect
- 4. In general, the electrical system should be new throughout a building:

- a. Where existing service entrances, disconnects, meters, distribution wiring, panels, and devices are proposed to remain, they will be examined and determined to be in good condition, code compliant and have a remaining useful life of a minimum of 30 years, or covered by a plan to repair or replace during the 30-year affordability period. The designer, in concert with the State electrical inspector, shall examine the system and equipment. Existing components of the electrical system may be reused as appropriate. Substandard or critical non-code compliant components shall be replaced.
- 5. Utility connections shall be installed per the rules and regulations of the electrical utility.
- 6. Electrical service and metering: a. the service entrance size shall be calculated to handle the proposed electrical loads. b. Metering and disconnects shall be per code and mounted at approved locations.
- 7. Elevator wiring shall conform to the ANSI 17.1 as modified by State or local codes.
- 8. Electrical distribution system:
  - a. Lighting and receptacle circuits shall be designed per code.
  - b. Locations and layout of devices and lighting to be logical and accessibility compliant where required.
  - c. Provision shall be made for the wiring of dedicated equipment circuits and connections for heating, ventilation equipment/exhaust fans, pumps, appliances, etc.
- 9. Artificial Lighting shall be provided using IBC 1205 as a minimum guideline. Developers are encouraged to upgrade to Energy Star® Category.
- 10. Site lighting with shielded fixtures may be provided to illuminate parking and pedestrian walkways, and will conform to local zoning.
- 11. Emergency and exit lighting/illuminated signage shall be per the NFPA 101, Life Safety Code.

Attachment A: Uniform Physical Condition Standards for Housing Rehabilitation  NOTE: Deficiencies highlighted in orange are life-threatening and must be addressed immediately, if the housing is occupied.		
Requirements for Site	je-threatening and must be dadressed immediately, if the nousing is occupied.	
Inspectable Item	Observable Deficiency	Type and Degree of Deficiency that must be addressed
Fencing and Gates	Damaged/Falling/Leaning	Fence or gate is missing or damaged to the point it does not function as it should
renting and dates	Holes	Hole in fence or gate is larger than 6 inches by 6 inches
	Missing Sections	An exterior fence, security fence or gate is missing a section which could threaten safety or security
Grounds	Erosion/Rutting Areas	Runoff has extensively displaced soils which has caused visible damage or potential failure to adjoining structures or threatens the safety of pedestrains or makes the grounds unusable
diodilas		
	Overgrown/Penetrating Vegetation	Vegetation has visibly damaged a component, area or system of the property or has made them unusable or unpassable  There is an assumulation of more than 5 inches does and/or a large section of the grounds more than 20% is unusable for it's intended purses advanta poor designed or poording.
Health & Safety	Ponding/Site Drainage  Air Quality - Sewer Odor Detected	There is an accumulation of more than 5 inches deep and/or a large section of the grounds-more than 20%-is unusable for it's intended purpose due to poor drainage or ponding  Sewer odors that could pose a health risk if inhaled for prolonged periods
пеанн & занету		
	Air Quality - Propane/Natural Gas/Methane Gas Detected	Strong propane, natural gas or methane odors that could pose a risk of explosion/ fire and/or pose a health risk if inhaled
	Electrical Hazards - Exposed Wires/Open Panels	Any exposed bare wires or openings in electrical panels (capped wires do not pose a risk)
	Electrical Hazards - Water Leaks on/near Electrical Equipment	Any water leaking, puddling or ponding on or immediately near any electrical apparatus that could pose a risk of fire, electrocution or explosion
	Flammable Materials - Improperly Stored	Flammable materials are improperly stored, causing the potential risk of fire or explosion
	Garbage and Debris - Outdoors	Too much garbage has gathered-more than the planned storage capacity, or garbage has gathered in an area not sanctioned for staging or storing garbage or debris
	Hazards - Other	Any general defects or hazards that pose risk of bodily injury
	Hazards - Sharp Edges	Any physical defect that could cause cutting or breaking of human skin or other bodily harm
	Hazards - Tripping	Any physical defect in walkways or other travelled area that poses a tripping risk
	Infestation - Insects	Evidence of infestation of insects-including roaches and ants-throughout a unit or room, food preperation or storage area or other area of building substantial enough to present a health and safety risk
	Infestation - Rats/Mice/Vermin	Evidence of rats or micesightings, rat or mouse holes, or droppings substantial enough to present a health and safety risk
Mailboxes/Project Signs	Mailbox Missing/Damaged	Mailbox cannot be locked or is missing
	Signs Damaged	The project sign is not legible or readable because of deterioration or damage
Parking Lots/Driveways/Roads	Cracks	Cracks that are large enough to affect traffic ability over more than 5% of the property's parking lots/driveways/roads or pose a safety hazard
	Ponding	3 inches or more of water has accumulated making 5% or more of a parking lot/driveway unusable or unsafe
	Potholes/Loose Material	Potholes or loose material that have made a parking lot/driveway unusable/unpassbale for vehicles and/or pedestrians or could cause tripping or falling
	Settlement/Heaving	Settlement/heaving has made a parking lot/driveway unusable/unpassable or creates unsafe conditions for pedestrians and vehicles
Play Areas and Equipment	Damaged/Broken Equipment	More than 20% of the equipment is broken or does not operate as it should or any item that poses a safety $r$ isk
	Deteriorated Play Area Surface	More than 20% of the play surface area shows deterioration or the play surface area could cause tripping or falling and thus poses a safety risk
Refuse Disposal	Broken/Damaged Enclosure-Inadequate Outside Storage Space	A single wall or gate of the enclosure has collapsed or is leaning and in danger of falling or trash cannot be stored in the designated area because it is too small to store refuse until disposal
Retaining Walls	Damaged/Falling/Leaning	A retaining wall is damaged and does not function as it should or is a safety risk
Storm Drainage	Damaged/Obstructed	The sytem is partially or fully blocked by a large quantity of debris, causing backup into adjacent areas or runoffs into areas where runoff is not intended
Walkways/Steps	Broken/Missing Hand Railing	The hand rail is missing, damaged, loose or otherwise unusable
	Cracks/Settlement/Heaving	Cracks, hinging/tilting or missing sections that affect traffic ability over more than 5% of the property's walkways/steps or any defect that creates a tripping or falling hazard
	Spalling/Exposed rebar	More than 5% of walkways have large areas of spallinglarger than 4 inches by 4 inchesthay affects traffic ability
Requirements for Building Exterior		
Inspectable Item	Observable Deficiency	
Doors	Damaged Frames/Threshold/Lintels/Trim	Any door that is not functioning or cannot be locked because of damage to the frame, threshold, lintel or trim
	Damaged Hardware/Locks	Any door that does not function as it should or cannot be locked because of damage to the door's hardware
	Damaged Surface (Holes/Paint/Rusting/Glass)	Any door that has a hole or holes greater than 1 inch in diameter, significant peeling/cracking/no paint or rust that affects the integrity of the door surface, or broken/missing glass
	Damaged/Missing Screen/Storm/Security Door	Any screen door or storm door that is damaged or is missing screens or glassshown by an empty frame or frames or any security door that is not functioning or is missing
	Deteriorated/Missing Caulking/Seals	The seals/caulking is missing on any entry door, or they are so damaged that they do not function as they should
	Missing Door	Any exterior door that is missing
Fire Escapes	Blocked Egress/Ladders	Stored items or other barriers restrict or block people from exiting
	Visibly Missing Components	Any of the functional components that affect the function of the fire escapeone section of a ladder or railing, for exampleare missing
Foundations	Cracks/Gaps	Large cracks in foundation more than 3/8 inches wide by 3/8 inches deep by 6 inches long that present a possible sign of a serious structural problem, or opportunity for water penetration or sections of
	Spalling/Exposed Rebar	Significant spalled areas affecting more than 10% of any foundation wall or any exposed reinforcing materialrebar or other
Health and Safety	Electrical Hazards - Exposed Wires/Open Panels	Any exposed bare wires or openings in electrical panels (capped wires do not pose a risk)

	Electrical Hazards - Water Leaks on/near Electrical Equipment	Any water leaking, puddling or ponding on or immediately near any electrical apparatus that could pose a risk of fire, electrocution or explosion
	Emergency Fire Exits - Emergency/Fire Exits Blocked/Unusable	The exit cannot be used or exit is limited because a door or window is nailed shut, a lock is broken, panic hardware is chained, debris, storage, or other conditions block exit
	Emergency Fire Exits - Missing Exit Signs	Exit signs that clearly identify all emergency exits are missing or there is no illumination in the area of the sign
	Flammable/Combustible Materials - Improperly Stored	Flammable materials are improperly stored, causing the potential risk of fire or explosion
	Garbage and Debris - Outdoors	Too much garbage has gathered-more than the planned storage capacity or garbage has gathered in an area not sanctioned for staging or storing garbage or debris
	Hazards - Other	Any general defects or hazards that pose risk of bodily injury
	Hazards - Sharp Edges	Any physical defect that could cause cutting or breaking of human skin or other bodily harm
	Hazards - Tripping	Any physical defect in walkways or other travelled area that poses a tripping risk
	Infestation - Insects	Evidence of infestation of insects-including roaches and ants-throughout a unit or room, food preperation or storage area or other area of building substantial enough to present a health and safety risk
	Infestation - Rats/Mice/Vermin	Evidence of rats or mice-sightings, rat or mouse holes, or droppings substantial enough to present a health and safety risk
Lighting	Broken Fixtures/Bulbs	10% or more of the lighting fixtures and bulbs surveyed are broken or missing
Roofs	Damaged Soffits/Fascia	Soffits or fascia that should be there are missing or so damaged that water penetration is visibly possible
	Damaged Vents	Vents are missing or so visibly damaged that further roof damage is possible
	Damaged/Clogged Drains	The drain is damaged or partially clogged with debris or the drain no longer functions
	Damaged/Torn Membrane/Missing Ballast	Balast has shifted and no longer functions as it should or there is damage to the roof membrane that may result in water penetration
	Missing/Damaged Components from Downspout/Gutter	Drainage system components are missing or damaged causing visibile damage to the roof, structure, exterior wall surface, or interior
	Missing/Damaged Shingles	Roofing shingles are missing or damaged enough to create a risk of water penetration
	Ponding	Evidence of standing water on roof, causing potential or visible damage to roof surface or underlying materials
Walls	Cracks/Gaps	Any large crack or gap that is more than 3/8 inches wide or deep and 6 inches long that presents a possible sign of serious structural problem or opportunity for water penetration
	Damaged Chimneys	Part or all of the chimney has visibly seperated from the adjacent wall or there are cracked or missing pieces large enough to present a sign of chimney failure or there is a risk of falling pieces that could create
	Missing/Damaged Caulking/Mortar	Any exterior wall caulking or mortar deterioration that presents a risk of water pentration or risk of structural damage
	Missing Pieces/Holes/Spalling	Any exterior wall deterioration or holes of any size that present a risk of water penetration or risk of structural damage
	Stained/Peeling/Needs Paint	More than 20% of the exterior paint is peeling or paint is missing and siding surface is exposed thereby exposing siding to water penetration and deterioration
Windows	Broken/Missing/Cracked Panes	Any missing panes of glass or cracked panes of glass where the crack is either greater than 4" and/or substantial enough to impact the structural integrity of the window pane
	Damaged Sills/Frames/Lintels/Trim	Sills, frames, lintels, or trim are missing or damaged, exposing the inside of the surrounding walls and compromising its weather tightness
	Damaged/Missing Screens	Missing screens or screens with holes greater than 1 inch by 1 inch or tears greater than 2 inches in length
	Missing/Deteriorated Caulking/Seals/Glazing Compound	There are missing or deteriorated caulk or seals—with evidence of leaks or damage to the window or surrounding structure
	Peeling/Needs Paint	More than 20% of the exterior window paint is peeling or paint is missing and window frame surface is exposed thereby exposing window frame to water penetration and deterioration
	Security Bars Prevent Egress	The ability to exit through egress window is limited by security bars that do not function properly and, therefore, pose safety risks
Requirements for Building Systems		
Inspectable Item	Observable Deficiency	
Domestic Water	Leaking Central Water Supply	Leaking water from water supply line is observed
	Missing Pressure Relief Valve	There is no pressure relief valve or pressure relief valve does not drain down to the floor
	Rust/Corrosion on Heater Chimney	The water heater chimney shows evidence of flaking, discoloration, pitting, or crevices that may create holes that could allow toxic gases to leak from the chimney
	Water Supply Inoperable	There is no running water in any area of the building where there should be
Electrical System	Blocked Access/Improper Storage	One or more fixed items or items of sufficient size and weight impede access to the building system's electrical panel during an emergency
	Burnt Breakers	Carbon residue, melted breakers or arcing scars are evident
	Evidence of Leaks/Corrosion	Any corrosion that affects the condition of the components that carry current or any stains or rust on the interior of electrical enclosures, or any evidence of water leaks in the enclosure or hardware
	Frayed Wiring	Any nicks, abrasion, or fraying of the insulation that exposes any conducting wire
	Missing Breakers/Fuses	Any open and/or exposed breaker port
	Missing Outlet Covers	A cover is missing, which results in exposed visible electrical connections
Flevators		
Elevators Emergancy Power	Not Operable  Auxiliary Lighting Inprorable (if applicable)	The elevator does not function at all or the elevator doors open when the cab is not there  Available liabilities does not function
Emergency Power	Auxiliary Lighting Inoperable (if applicable)  Missing Sprinkler Head	Auxiliary lighting does not function  Any sprinkler hand is missing visibly disabled pointed over blocked or capped
Fire Protection	Missing Sprinkler Head	Any sprinkler head is missing, visibly disabled, painted over, blocked, or capped
Haralda O Cafata	Missing/Damaged/Expired Extinguishers	There is missing, damaged or expired fire extinguisher an any area of the building where a fire extinguisher is required
Health & Safety	Air Quality - Mold and/or Mildew Observed	Evidence of mold or mildew is observed that is substantial enough to pose a health risk
	Air Quality - Propane/Natural Gas/Methane Gas Detected	Strong propane, natural gas or methane odors that could pose a risk of explosion/ fire and/or pose a health risk if inhaled
	Air Quality - Sewer Odor Detected	Sewer odors that could pose a health risk if inhaled for prolonged periods

Any water leaking, puddling or ponding on or immediately near any electrical apparatus that could pose a risk of fire, electrocution or explosion

An elevator is misaligned with the floor by more than 3/4 of an inch. The elevatordoes not level as it should, which causes a tripping hazard

Electrical Hazards - Water Leaks on/near Electrical Equipment

Elevator - Tripping

	Emergency Fire Exits - Emergency/Fire Exits Blocked/Unusable	The exit cannot be used or exit is limited because a door or window is nailed shut, a lock is broken, panic hardware is chained, debris, storage, or other conditions block exit
	Emergency Fire Exits - Missing Exit Signs	Exit signs that clearly identify all emergency exits are missing or there is no illumination in the area of the sign
	Flammable Materials - Improperly Stored	Flammable materials are improperly stored, causing the potential risk of fire or explosion
	Garbage and Debris - Indoors	Too much garbage has gathered-more than the planned storage capacity or garbage has gathered in an area not sactioned for staging or storing garbage or debris
	Hazards - Other	Any general defects or hazards that pose risk of bodily injury
	Hazards - Sharp Edges	Any physical defect that could cause cutting or breaking of human skin or other bodily harm
	Hazards – Tripping Hazards	Any physical defect in walkways or other travelled area that poses a tripping risk
	Infestation - Insects	Evidence of infestation of insects-including roaches and ants-throughout a unit or room, food preperation or storage area or other area of building substantial enough to present a health and safety risk
	Infestation - Rats/Mice/Vermin	Evidence of rats or micesightings, rat or mouse holes, or droppings substantial enough to present a health and safety risk
HVAC	Boiler/Pump Leaks	Evidenceof water or steam leaking in piping or pump packing
	Fuel Supply Leaks	Evidence of any amount of fuel leaking from the supply tank or piping
	General Rust/Corrosion	Significant formations of metal oxides, significant flaking, discoloration, or the development of a noticable pit or crevice
	Misaligned Chimney/Ventilation System	A misalighnment of an exhaust system on a combustion fuel-fired unit (oil, natural gas, propane, wood pellets etc.) that causes improper or dangerous venting of gases
Roof Exhaust System	Roof Exhaust Fan(s) Inoperable	The roof exhaust fan unit does not function
Sanitary System	Broken/Leaking/Clogged Pipes or Drains	Evidence of active leaks in or around the system components or evidence of standing water, puddles or pondinga sign of leaks or clogged drains
Summer, System	Missing Drain/Cleanout/Manhole Covers	A protective cover is missing
	Stand Clean Car Mannice Covers	protective core to missing
Requirements for Common Areas		
Inspectable Item	Observable Deficiency	
Basement/Garage/Carport	Baluster/Side Railings - Damaged	Any damaged or missing balusters or side rails that limit the safe use of an area
Closet/Utility/Mechanical	Cabinets - Missing/Damaged	10% or more of cabinet, doors, or shelves are missing or the laminate is separating
Community Room	Call for Aid - Inoperable	The system does not function as it should  Any holes in calling missing tiles or large cracks wider than 1/4 of an inch and greater than 11 inches. Journ
Halls/Corridors/Stairs	Ceiling - Holes/Missing Tiles/Panels/Cracks	Any holes in ceiling, missing tiles or large cracks wider than 1/4 of an inch and greater than 11 inches long
Kitchen	Ceiling - Peeling/Needs Paint	More than 10% of ceiling has peeling paint or is missing paint
Laundry Room	Ceiling - Water Stains/Water Damage/Mold/Mildew	Evidence of a leak, mold or mildewsuch as a darkened areaover a ceiling area greater than 1 foot square
Lobby	Countertops - Missing/Damaged	10% or more of the countertop working surface is missing, deteriorated, or damaged below the laminatenot a sanitary surface to prepare food
Office	Dishwasher/Garbage Disposal - Inoperable	The dishwasher or garbage disposal does not operate as it should
Other Community Spaces	Doors - Damaged Frames/Threshold/Lintels/Trim	Any door that is not functioning or cannot be locked because of damage to the frame, threshold, lintel or trim
Patio/Porch/Balcony	Doors - Damaged Hardware/Locks	Any door that does not function as it should or cannot be locked because of damage to the door's hardware
Restrooms	Doors - Damaged Surface (Holes/Paint/Rust/Glass)	Any door that has a hole or holes greater than 1 inch in diameter, significant peeling/cracking/no paint or rust that affects the integrity of the door surface, or broken/missing glass
Storage	Doors - Damaged/Missing Screen/Storm/Security Door	Any screen door or storm door that is damaged or is missing screens or glassshown by an empty frame or frames or any security door that is not functioning or is missing
	Doors - Deteriorated/Missing Seals (Entry Only)	The seals/caulking is missing on any entry door, or they are so damaged that they do not function as they should
	Doors - Missing Door	Any door that is missing that is required for the functional use of the space
	Dryer Vent -Missing/Damaged/Inoperable	The dryer vent is missing or it is not functioning because it is blocked. Dryer exhaust is not effectively vented to the outside
	Electrical - Blocked Access to Electrical Panel	One or more fixed items or items of sufficient size and weight impede access to the building system's electrical panel during an emergency
	Electrical - Burnt Breakers	Carbon residue, melted breakers or arcing scars are evident
	Electrical - Evidence of Leaks/Corrosion	Any corrosion that affects the condition of the components that carry current or any stains or rust on the interior of electrical enclosures or any evidence of water leaks in the enclosure or hardware
	Electrical - Frayed Wiring	Any nicks, abrasion, or fraying of the insulation that exposes any conducting wire
	Electrical - Missing Breakers	Any open and/or exposed breaker port
	Electrical - Missing Covers	A cover is missing, which results in exposed visible electrical connections
	Floors - Bulging/Buckling	Any flooring that is bulging, buckling or sagging or a problem with alignment between flooring types
	Floors - Floor Covering Damaged	More than 10% of floor covering has stains, surface burns, shallow cuts, small holes, tears, loose areas or exposed seams.
	Floors - Missing Floor/Tiles	More than 5% of the flooring or tile flooring is missing
	Floors - Peeling/Needs Paint	Any painted flooring that has peeling or missing paint on more than 10% of the surface
	Floors - Rot/Deteriorated Subfloor	Any rotted or deteriorated subflooring greater than 6 inches by 6 inches
	Floors - Water Stains/Water Damage/Mold/Mildew	Evidence of a leak, mold or mildewsuch as a darkened areacovering a flooring area greater than 1 foot square

	GFI - Inoperable	The GFI does not function
	Graffiti	Any graffiti on any exposed surface greater than 6 inches by 6 inches
	HVAC - Convection/Radiant Heat System Covers Missing/Damaged	Cover is missing or substantially damaged, allowing contact with heating/surface elements or associated fans
	HVAC - General Rust/Corrosion	Significant formations of metal oxides, flaking, or discolorationor a pit or crevice
	HVAC - Inoperable	HVAC does not function. It does not provide the heating and coolingit should. The system does not respond when the controls are engaged
	HVAC - Misaligned Chimney/Ventilation System	Any misalignment that may cause improper or dangerous venting of gases
	HVAC - Noisy/Vibrating/Leaking	HVAC system shows signs of abnormal vibrations, other noise, or leaks when engaged
	Lavatory Sink - Damaged/Missing	Sink has extensive discoloration or cracks in over 50% of the basin or the the sink or associated hardware have failed or are missing and the sink can't be used
	Lighting - Missing/Damaged/Inoperable Fixture	More than10% of the permanent lighting fixtures are missing or damaged so they do not function
	Mailbox - Missing/Damaged	The U.S Postal Service mailbox cannot be locked or is missing
	Outlets/Switches/Cover Plates - Missing/Broken	Outlet or switch is missing or a cover plate is missing or broken, resulting in exposed wiring
	Pedestrian/Wheelchair Ramp	A walkway or ramp is damaged and cannot be used by people on foot, in wheelchair, or using walkers
	Plumbing - Clogged Drains	Drain is substantially or completely clogged or has suffered extensive deterioration
	Plumbing - Leaking Faucet/Pipes	A steady leak that is adversely affecting the surrounding area
	Range Hood /Exhaust Fans - Excessive Grease/Inoperable	A substantial accumulation of dirt or grease that threatens the free passage of air
	Range/Stove - Missing/Damaged/Inoperable	One or more burners are not functioning or doors or drawers are impeded or on gas ranges pilot is out and/or flames are not distributed equally or oven not functioning
	Refrigerator - Damaged/Inoperable	The refrigerator has an extensive accumilation of ice or the seals around the doors are deteriorated or is damaged in any way which substantially impacts its performance
	Restroom Cabinet - Damaged/Missing	Damaged or missing shelves, vanity top, drawers, or doors that are not functioning as they should for storage or their intended purpose
	Shower/Tub - Damaged/Missing	Any cracks in tub or shower through which water can pass or extensive discoloration over more than 20% of tub or shower surface or tub or shower is missing
	Sink - Missing/Damaged	Any cracks in sink through which water can pass or extensive discoloration over more than 10% of the sink surface or sink is missing
	Smoke Detector - Missing/Inoperable	Smoke detector is missing or does not function as it should
	Stairs - Broken/Damaged/Missing Steps	A step is missing or broken
	Stairs - Broken/Missing Hand Railing	The hand rail is missing, damaged, loose or otherwise unusable
	Ventilation/Exhaust System - Inoperable	exhaust fan is not functioning or window designed for ventilation does not open
	Walls - Bulging/Buckling	Bulging, buckling or sagging walls or a lack of horizontal alignment
	Walls - Damaged	Any hole in wall greater than 2 inches by 2 inches
	Walls - Damaged/Deteriorated Trim	10% or more of the wall trim is damaged
	Walls - Peeling/Needs Paint	10% or more of interior wall paint is peeling or missing
	Walls - Water Stains/Water Damage/Mold/Mildew	Evidence of a leak, mold or mildewsuch as a common areacovering a wall area greater than 1 foot square
	Water Closet/Toilet - Damaged/Clogged/Missing	Fixture elementsseat, flush handle, cover etcare missing or damaged or the toilet seat is cracked or has a broken hinge or toilet cannot be flushed
	Windows - Cracked/Broken/Missing Panes	Any missing panes of glass or cracked pains of glass where the crack is either greater than 4" and/or substantial enough to impact the structural integrity of the window pane
	Windows - Damaged Window Sill	The sill is damaged enough to expose the inside of the surrounding walls and compromise its weather tightness
	Windows - Inoperable/Not Lockable	Any window that is not functioning or cannot be secured because lock is brocken
	Windows - Missing/Deteriorated Caulking/Seals/Glazing Compound	There are missing or deteriorated caulk or sealswith evidence of leaks or damage to the window or surrounding structure
	Windows - Peeling/Needs Paint	More than 10% of interior window paint is peeling or missing
	Windows - Security Bars Prevent Egress	The ability to exit through the window is limited by security bars that do not function properly and, therefore, pose safety risks
Health & Safety	Air Quality - Mold and/or Mildew Observed	Evidence of mold or mildew is observed that is substantial enough to pose a health risk
	Air Quality - Propane/Natural Gas/Methane Gas Detected	Strong propane, natural gas or methane odors that could pose a risk of explosion/ fire and/or pose a health risk if inhaled
	Air Quality - Sewer Odor Detected	Sewer odors that could pose a health risk if inhaled for prolonged periods
	Electrical Hazards - Exposed Wires/Open Panels	Any exposed bare wires or openings in electrical panels (capped wires do not pose a risk)
	Electrical Hazards - Water Leaks on/near Electrical Equipment	Any water leaking, puddling or ponding on or immediately near any electrical apparatus that could pose a risk of fire, electrocution or explosion
	Emergency Fire Exits - Emergency/Fire Exits Blocked/Unusable	The exit cannot be used or exit is limited because a door or window is nailed shut, a lock is broken, panic hardware is chained, debris, storage, or other conditions block exit
	Emergency Fire Exits - Missing Exit Signs	Exit signs that clearly identify all emergency exits are missing or there is no illumination in the area of the sign
	Flammable/Combustible Materials - Improperly Stored	Flammable or combustible materials are improperly stored, causing the potential risk of fire or explosion
	Garbage and Debris - Indoors	Too much garbage has gathered-more than the planned storage capacity or garbage has gathered in an area not sactioned for staging or storing garbage or debris
	Garbage and Debris - Outdoors	Too much garbage has gathered-more than the planned storage capacity or garbage has gathered in an area not sanctioned for staging or storing garbage or debris

	Hazards - Other	Any general defects or hazards that pose risk of bodily injury
	Hazards - Sharp Edges	Any physical defect that could cause cutting or breaking of human skin or other bodily harm
ı	Hazards - Tripping	Any physical defect in walkways or other travelled area that poses a tripping risk

	Infestation - Insects	Evidence of infestation of insects-including roaches and ants-throughout a unit or room, food preperation or storage area or other area of building substantial enough to present a health and safety risk
	Infestation - Rats/Mice/Vermin	Evidence of rats or micesightings, rat or mouse holes, or droppings substantial enough to present a health and safety risk
Pools and Related Structures	Fencing - Damaged/Not Intact	Any damage that could compromise the integrity of the fence
Trash Collection Areas	Chutes - Damaged/Missing Components	Garbage has backed up into chutes, because the collection structure is missing or broken or compactors or componenentschute, chute door, and other componenetshave failed
Trash concention Areas	Chates Burnaged/Wissing Components	durage his duract up into charter, declared a masing of dronen or comparents a charter and other comparents in the charter and other comparents.
Requirements for Unit		
Inspectable Item	Observable Deficiency	
Bathroom	Bathroom Cabinets - Damaged/Missing	Damaged or missing shelves, vanity tops, drawers, or doors that are not functioning as they should for storage or their intended purpose
Batillooni	Lavatory Sink - Damaged/Missing	Any cracks in sink through which water can pass or extensive discoloration over more than 10% of the sink surface or sink is missing
	Plumbing - Clogged Drains, Faucets	
	Plumbing - Leaking Faucet/Pipes	Drain or faucet is substantially or completely clogged or has suffered extensive deterioration  A steady leak that is adversely affecting the surrounding area
	Shower/Tub - Damaged/Missing	Any cracks in tub or shower through which water can pass or extensive discoloration over more than 20% of tub or shower surface or tub or shower is missing
	Ventilation/Exhaust System — Absent/Inoperable	exhaust fan is not functioning or window designed for ventilation does not open
Call for Aid /if applicable)	Water Closet/Toilet - Damaged/Clogged/Missing	Fixture elementsseat, flush handle, cover etcare missing or damaged or the toilrt seat is cracked or has a broken hinge or toilet cannot be flushed
Call-for-Aid (if applicable)	Inoperable	The system does not function as it should
Ceiling	Bulging/Buckling/Leaking	Bulging, buckling or sagging ceiling or problem with alignment
	Holes/Missing Tiles/Panels/Cracks	Any holes in ceiling, missing tiles or large cracks wider than 1/4 of an inch and greater than 6 inches long
	Peeling/Needs Paint	More than 10% of ceiling has peeling paint or is missing paint
Design	Water Stains/Water Damage/Mold/Mildew	Evidence of a leak, mold or mildewsuch as a darkened areaover a ceiling area greater than 1 foot square
Doors	Damaged Frames/Threshold/Lintels/Trim	Any door that is not functioning or cannot be locked because of damage to the frame, threshold, lintel or trim
	Damaged Hardware/Locks	Any door that does not function as it should or cannot be locked because of damage to the door's hardware
	Damaged/Missing Screen/Storm/Security Door	Any screen door or storm door that is damaged or is missing screens or glassshown by an empty frame or frames or any security door that is not functioning or is missing
	Damaged Surface - Holes/Paint/Rusting/Glass/Rotting	Any door that has a hole or holes greater than 1 inch in diameter, significant peeling/cracking/no paint or rust that affects the integrity of the door surface, or broken/missing glass
	Deteriorated/Missing Seals (Entry Only)	The seals/caulking is missing on any entry door, or they are so damaged that they do not function as they should
	Missing Door	Any door that is required for security (entry) or privacy (Bathroom) that is missing or any other unit door that is missing and is required for proper unit functionality
Electrical System	Blocked Access to Electrical Panel	One or more fixed items or items of sufficient size and weight impede access to the building system's electrical panel during an emergency
	Burnt Breakers	Carbon residue, melted breakers or arcing scars are evident
	Evidence of Leaks/Corrosion	Any corrosion that affects the condition of the components that carry current or any stains or rust on the interior of electrical enclosures or any evidence of water leaks in the enclosure or hardware
	Frayed Wiring	Any nicks, abrasion, or fraying of the insulation that exposes any conducting wire
	GFI - Inoperable	The GFI does not function
	Missing Breakers/Fuses	Any open and/or exposed breaker port
	Missing Covers	A cover is missing, which results in exposed visible electrical connections
Floors	Bulging/Buckling	Any flooring that is bulging, buckling or sagging or a problem with alignment between flooring types
	Floor Covering Damage	More than 10% of floor covering has stains, surface burns, shallow cuts, small holes, tears, loose areas or exposed seams.
	Missing Flooring Tiles	Any flooring or tile flooring that is missing
	Peeling/Needs Paint	Any painted flooring that has peeling or missing paint on more than 10% of the surface
	Rot/Deteriorated Subfloor	Any rotted or deteriorated subflooring greater than 6 inches by 6 inches
	Water Stains/Water Damage/Mold/Mildew	Evidence of a leak, mold or mildewsuch as a darkened areacovering a flooring area greater than 1 foot square
Health & Safety	Air Quality - Mold and/or Mildew Observed	Evidence of mold or mildew is observed that is substantial enough to pose a health risk
	Air Quality - Sewer Odor Detected	Sewer odors that could pose a health risk if inhaled for prolonged periods
	Air Quality - Propane/Natural Gas/Methane Gas Detected	Strong propane, natural gas or methane odors that could pose a risk of explosion/ fire and/or pose a health risk if inhaled
	Electrical Hazards - Exposed Wires/Open Panels	Any exposed bare wires or openings in electrical panels (capped wires do not pose a risk)
	Electrical Hazards - Water Leaks on/near Electrical Equipment	Any water leaking, puddling or ponding on or immediately near any electrical apparatus that could pose a risk of fire, electrocution or explosion
	Emergency Fire Exits - Emergency/Fire Exits Blocked/Unusable	The exit cannot be used or exit is limited because a door or window is nailed shut, a lock is broken, panic hardware is chained, debris, storage, or other conditions block exit
	Emergency Fire Exits - Missing Exit Signs	Exit signs that clearly identify all emergency exits are missing or there is no illumination in the area of the sign
	Flammable Materials - Improperly Stored	Flammable materials are improperly stored, causing the potential risk of fire or explosion

Garbage and Debris - Indoors	Too much garbage has gathered-more than the planned storage capacity or garbage has gathered in an area not sactioned for staging or storing garbage or debris
Garbage and Debris - Outdoors	Too much garbage has gathered-more than the planned storage capacity or garbage has gathered in an area not sanctioned for staging or storing garbage or debris
Hazards - Other	Any general defects or hazards that pose risk of bodily injury

	Electrical Hazards - Water Leaks on/near Electrical Equipment	Any water leaking, puddling or ponding on or immediately near any electrical apparatus that could pose a risk of fire, electrocution or explosion
	Elevator - Tripping	An elevator is misaligned with the floor by more than 3/4 of an inch. The elevatordoes not level as it should, which causes a tripping hazard
	Emergency Fire Exits - Emergency/Fire Exits Blocked/Unusable	The exit cannot be used or exit is limited because a door or window is nailed shut, a lock is broken, panic hardware is chained, debris, storage, or other conditions block exit
	Emergency Fire Exits - Missing Exit Signs	Exit signs that clearly identify all emergency exits are missing or there is no illumination in the area of the sign
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	Infestation - Rats/Mice/Vermin	Evidence of rats or micesightings, rat or mouse holes, or droppings substantial enough to present a health and safety risk
HVAC	Boiler/Pump Leaks	Evidenceof water or steam leaking in piping or pump packing
	Fuel Supply Leaks	Evidence of any amount of fuel leaking from the supply tank or piping
	General Rust/Corrosion	Significant formations of metal oxides, significant flaking, discoloration, or the development of a noticable pit or crevice
	Misaligned Chimney/Ventilation System	A misalighnment of an exhaust system on a combustion fuel-fired unit (oil, natural gas, propane, wood pellets etc.) that causes improper or dangerous venting of gases
Roof Exhaust System	Roof Exhaust Fan(s) Inoperable	The roof exhaust fan unit does not function
Sanitary System	Broken/Leaking/Clogged Pipes or Drains	Evidence of active leaks in or around the system components or evidence of standing water, puddles or pondinga sign of leaks or clogged drains
	Missing Drain/Cleanout/Manhole Covers	A protective cover is missing
Requirements for Common Areas		
Inspectable Item	Observable Deficiency	
Basement/Garage/Carport	Baluster/Side Railings - Damaged	Any damaged or missing balusters or side rails that limit the safe use of an area
Closet/Utility/Mechanical	Cabinets - Missing/Damaged	10% or more of cabinet, doors, or shelves are missing or the laminate is separating
Community Room	Call for Aid - Inoperable	The system does not function as it should
Halls/Corridors/Stairs	Ceiling - Holes/Missing Tiles/Panels/Cracks	Any holes in ceiling, missing tiles or large cracks wider than 1/4 of an inch and greater than 11 inches long
Kitchen	Ceiling - Peeling/Needs Paint	More than 10% of ceiling has peeling paint or is missing paint
Laundry Room	Ceiling - Water Stains/Water Damage/Mold/Mildew	Evidence of a leak, mold or mildew-such as a darkened area-over a ceiling area greater than 1 foot square
Lobby	Countertops - Missing/Damaged	10% or more of the countertop working surface is missing, deteriorated, or damaged below the laminatenot a sanitary surface to prepare food
Office	Dishwasher/Garbage Disposal - Inoperable	The dishwasher or garbage disposal does not operate as it should
Other Community Spaces	Doors - Damaged Frames/Threshold/Lintels/Trim	Any door that is not functioning or cannot be locked because of damage to the frame, threshold, lintel or trim
Patio/Porch/Balcony	Doors - Damaged Hardware/Locks	Any door that does not function as it should or cannot be locked because of damage to the door's hardware
Restrooms	Doors - Damaged Surface (Holes/Paint/Rust/Glass)	Any door that has a hole or holes greater than 1 inch in diameter, significant peeling/cracking/no paint or rust that affects the integrity of the door surface, or broken/missing glass
Storage	Doors - Damaged/Missing Screen/Storm/Security Door	Any screen door or storm door that is damaged or is missing screens or glassshown by an empty frame or frames or any security door that is not functioning or is missing
	Doors - Deteriorated/Missing Seals (Entry Only)	The seals/caulking is missing on any entry door, or they are so damaged that they do not function as they should
	Doors - Missing Door	Any door that is missing that is required for the functional use of the space
	Dryer Vent -Missing/Damaged/Inoperable	The dryer vent is missing or it is not functioning because it is blocked. Dryer exhaust is not effectively vented to the outside
	Electrical - Blocked Access to Electrical Panel	One or more fixed items or items of sufficient size and weight impede access to the building system's electrical panel during an emergency
	Electrical - Burnt Breakers	Carbon residue, melted breakers or arcing scars are evident
	Electrical - Evidence of Leaks/Corrosion	Any corrosion that affects the condition of the components that carry current or any stains or rust on the interior of electrical enclosures or any evidence of water leaks in the enclosure or hardware
	Electrical - Frayed Wiring	Any nicks, abrasion, or fraying of the insulation that exposes any conducting wire
	Electrical - Missing Breakers	Any open and/or exposed breaker port
	Electrical - Missing Covers	A cover is missing, which results in exposed visible electrical connections
	Floors - Bulging/Buckling	Any flooring that is bulging, buckling or sagging or a problem with alignment between flooring types
	Floors - Floor Covering Damaged	More than 10% of floor covering has stains, surface burns, shallow cuts, small holes, tears, loose areas or exposed seams.
	Floors - Missing Floor/Tiles	More than 5% of the flooring or tile flooring is missing
	Floors - Peeling/Needs Paint	Any painted flooring that has peeling or missing paint on more than 10% of the surface

	Floors - Rot/Deteriorated Subfloor	Any rotted or deteriorated subflooring greater than 6 inches by 6 inches
	Floors - Water Stains/Water Damage/Mold/Mildew	Evidence of a leak, mold or mildew-such as a darkened area-covering a flooring area greater than 1 foot square

	GFI - Inoperable	The GFI does not function
	Graffiti	Any graffiti on any exposed surface greater than 6 inches by 6 inches
	HVAC - Convection/Radiant Heat System Covers Missing/Damaged	Cover is missing or substantially damaged, allowing contact with heating/surface elements or associated fans
	HVAC - General Rust/Corrosion	Significant formations of metal oxides, flaking, or discolorationor a pit or crevice
	HVAC - Inoperable	HVAC does not function. It does not provide the heating and coolingit should. The system does not respond when the controls are engaged
	HVAC - Misaligned Chimney/Ventilation System	Any misalignment that may cause improper or dangerous venting of gases
	HVAC - Noisy/Vibrating/Leaking	HVAC system shows signs of abnormal vibrations, other noise, or leaks when engaged
	Lavatory Sink - Damaged/Missing	Sink has extensive discoloration or cracks in over 50% of the basin or the the sink or associated hardware have failed or are missing and the sink can't be used
	Lighting - Missing/Damaged/Inoperable Fixture	More than10% of the permanent lighting fixtures are missing or damaged so they do not function
	Mailbox - Missing/Damaged	The U.S Postal Service mailbox cannot be locked or is missing
	Outlets/Switches/Cover Plates - Missing/Broken	Outlet or switch is missing or a cover plate is missing or broken, resulting in exposed wiring
	Pedestrian/Wheelchair Ramp	A walkway or ramp is damaged and cannot be used by people on foot, in wheelchair, or using walkers
	Plumbing - Clogged Drains	Drain is substantially or completely clogged or has suffered extensive deterioration
	Plumbing - Leaking Faucet/Pipes	A steady leak that is adversely affecting the surrounding area
	Range Hood /Exhaust Fans - Excessive Grease/Inoperable	A substantial accumulation of dirt or grease that threatens the free passage of air
	Range/Stove - Missing/Damaged/Inoperable	One or more burners are not functioning or doors or drawers are impeded or on gas ranges pilot is out and/or flames are not distributed equally or oven not functioning
	Refrigerator - Damaged/Inoperable	The refrigerator has an extensive accumilation of ice or the seals around the doors are deteriorated or is damaged in any way which substantially impacts its performance
	Restroom Cabinet - Damaged/Missing	Damaged or missing shelves, vanity top, drawers, or doors that are not functioning as they should for storage or their intended purpose
	Shower/Tub - Damaged/Missing	Any cracks in tub or shower through which water can pass or extensive discoloration over more than 20% of tub or shower surface or tub or shower is missing
	Sink - Missing/Damaged	Any cracks in sink through which water can pass or extensive discoloration over more than 10% of the sink surface or sink is missing
	Smoke Detector - Missing/Inoperable	Smoke detector is missing or does not function as it should
	Stairs - Broken/Damaged/Missing Steps	A step is missing or broken
	Stairs - Broken/Missing Hand Railing	The hand rail is missing, damaged, loose or otherwise unusable
	Ventilation/Exhaust System - Inoperable	exhaust fan is not functioning or window designed for ventilation does not open
	Walls - Bulging/Buckling	Bulging, buckling or sagging walls or a lack of horizontal alignment
	Walls - Damaged	Any hole in wall greater than 2 inches by 2 inches
	Walls - Damaged/Deteriorated Trim	10% or more of the wall trim is damaged
	Walls - Peeling/Needs Paint	10% or more of interior wall paint is peeling or missing
	Walls - Water Stains/Water Damage/Mold/Mildew	Evidence of a leak, mold or mildewsuch as a common areacovering a wall area greater than 1 foot square
	Water Closet/Toilet - Damaged/Clogged/Missing	Fixture elementsseat, flush handle, cover etcare missing or damaged or the toilet seat is cracked or has a broken hinge or toilet cannot be flushed
	Windows - Cracked/Broken/Missing Panes	Any missing panes of glass or cracked pains of glass where the crack is either greater than 4" and/or substantial enough to impact the structural integrity of the window pane
	Windows - Damaged Window Sill	The sill is damaged enough to expose the inside of the surrounding walls and compromise its weather tightness
	Windows - Inoperable/Not Lockable	Any window that is not functioning or cannot be secured because lock is brocken
	Windows - Missing/Deteriorated Caulking/Seals/Glazing Compound	There are missing or deteriorated caulk or sealswith evidence of leaks or damage to the window or surrounding structure
	Windows - Peeling/Needs Paint	More than 10% of interior window paint is peeling or missing
	Windows - Security Bars Prevent Egress	The ability to exit through the window is limited by security bars that do not function properly and, therefore, pose safety risks
Health & Safety	Air Quality - Mold and/or Mildew Observed	Evidence of mold or mildew is observed that is substantial enough to pose a health risk
	Air Quality - Propane/Natural Gas/Methane Gas Detected	Strong propane, natural gas or methane odors that could pose a risk of explosion/ fire and/or pose a health risk if inhaled
	Air Quality - Sewer Odor Detected	Sewer odors that could pose a health risk if inhaled for prolonged periods
	Electrical Hazards - Exposed Wires/Open Panels	Any exposed bare wires or openings in electrical panels (capped wires do not pose a risk)
	Electrical Hazards - Water Leaks on/near Electrical Equipment	Any water leaking, puddling or ponding on or immediately near any electrical apparatus that could pose a risk of fire, electrocution or explosion
	Emergency Fire Exits - Emergency/Fire Exits Blocked/Unusable	The exit cannot be used or exit is limited because a door or window is nailed shut, a lock is broken, panic hardware is chained, debris, storage, or other conditions block exit
	Emergency Fire Exits - Missing Exit Signs	Exit signs that clearly identify all emergency exits are missing or there is no illumination in the area of the sign
	Flammable/Combustible Materials - Improperly Stored	Flammable or combustible materials are improperly stored, causing the potential risk of fire or explosion
	Garbage and Debris - Indoors	Too much garbage has gathered-more than the planned storage capacity or garbage has gathered in an area not sactioned for staging or storing garbage or debris
	Garbage and Debris - Outdoors	Too much garbage has gathered-more than the planned storage capacity or garbage has gathered in an area not sanctioned for staging or storing garbage or debris

	Hazards - Other	Any general defects or hazards that pose risk of bodily injury
	Hazards - Sharp Edges	Any physical defect that could cause cutting or breaking of human skin or other bodily harm
Ī	Hazards - Tripping	Any physical defect in walkways or other travelled area that poses a tripping risk

	Infestation - Insects	Evidence of infestation of insects-including roaches and ants-throughout a unit or room, food preperation or storage area or other area of building substantial enough to present a health and safety risk
	Infestation - Rats/Mice/Vermin	Evidence of rats or mice-sightings, rat or mouse holes, or droppings substantial enough to present a health and safety risk
Pools and Related Structures	Fencing - Damaged/Not Intact	Any damage that could compromise the integrity of the fence
Trash Collection Areas	Chutes - Damaged/Missing Components	Garbage has backed up into chutes, because the collection structure is missing or broken or compactors or componenentschute, chute door, and other componenetshave failed
Requirements for Unit		
Inspectable Item	Observable Deficiency	
Bathroom	Bathroom Cabinets - Damaged/Missing	Damaged or missing shelves, vanity tops, drawers, or doors that are not functioning as they should for storage or their intended purpose
	Lavatory Sink - Damaged/Missing	Any cracks in sink through which water can pass or extensive discoloration over more than 10% of the sink surface or sink is missing
	Plumbing - Clogged Drains, Faucets	Drain or faucet is substantially or completely clogged or has suffered extensive deterioration
	Plumbing - Leaking Faucet/Pipes	A steady leak that is adversely affecting the surrounding area
	Shower/Tub - Damaged/Missing	Any cracks in tub or shower through which water can pass or extensive discoloration over more than 20% of tub or shower surface or tub or shower is missing
	Ventilation/Exhaust System — Absent/Inoperable	exhaust fan is not functioning or window designed for ventilation does not open
	Water Closet/Toilet - Damaged/Clogged/Missing	Fixture elementsseat, flush handle, cover etcare missing or damaged or the toilrt seat is cracked or has a broken hinge or toilet cannot be flushed
Call-for-Aid (if applicable)	Inoperable	The system does not function as it should
Ceiling	Bulging/Buckling/Leaking	Bulging, buckling or sagging ceiling or problem with alignment
	Holes/Missing Tiles/Panels/Cracks	Any holes in ceiling, missing tiles or large cracks wider than 1/4 of an inch and greater than 6 inches long
	Peeling/Needs Paint	More than 10% of ceiling has peeling paint or is missing paint
		Evidence of a leak, mold or mildewsuch as a darkened areaover a ceiling area greater than 1 foot square
Doors	Water Stains/Water Damage/Mold/Mildew  Damaged Frames/Threshold/Lintels/Trim	Any door that is not functioning or cannot be locked because of damage to the frame, threshold, lintel or trim
50013	Damaged Hardware/Locks	Any door that does not function as it should or cannot be locked because of damage to the door's hardware
	Damaged/Missing Screen/Storm/Security Door  Damaged Surface - Holes/Paint/Rusting/Glass/Rotting	Any screen door or storm door that is damaged or is missing screens or glassshown by an empty frame or frames or any security door that is not functioning or is missing
		Any door that has a hole or holes greater than 1 inch in diameter, significant peeling/cracking/no paint or rust that affects the integrity of the door surface, or broken/missing glass
	Deteriorated/Missing Seals (Entry Only)	The seals/caulking is missing on any entry door, or they are so damaged that they do not function as they should
Floatrical Custom	Missing Door	Any door that is required for security (entry) or privacy (Bathroom) that is missing or any other unit door that is missing and is required for proper unit functionality
Electrical System	Blocked Access to Electrical Panel	One or more fixed items or items of sufficient size and weight impede access to the building system's electrical panel during an emergency
	Burnt Breakers	Carbon residue, melted breakers or arcing scars are evident
	Evidence of Leaks/Corrosion	Any corrosion that affects the condition of the components that carry current or any stains or rust on the interior of electrical enclosures or any evidence of water leaks in the enclosure or hardware
	Frayed Wiring	Any nicks, abrasion, or fraying of the insulation that exposes any conducting wire
	GFI - Inoperable	The GFI does not function
	Missing Breakers/Fuses	Any open and/or exposed breaker port
	Missing Covers	A cover is missing, which results in exposed visible electrical connections
Floors	Bulging/Buckling	Any flooring that is bulging, buckling or sagging or a problem with alignment between flooring types
	Floor Covering Damage	More than 10% of floor covering has stains, surface burns, shallow cuts, small holes, tears, loose areas or exposed seams.
	Missing Flooring Tiles	Any flooring or tile flooring that is missing
	Peeling/Needs Paint	Any painted flooring that has peeling or missing paint on more than 10% of the surface
	Rot/Deteriorated Subfloor	Any rotted or deteriorated subflooring greater than 6 inches by 6 inches
	Water Stains/Water Damage/Mold/Mildew	Evidence of a leak, mold or mildewsuch as a darkened areacovering a flooring area greater than 1 foot square
Health & Safety	Air Quality - Mold and/or Mildew Observed	Evidence of mold or mildew is observed that is substantial enough to pose a health risk
	Air Quality - Sewer Odor Detected	Sewer odors that could pose a health risk if inhaled for prolonged periods
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	Electrical Hazards - Exposed Wires/Open Panels	Any exposed bare wires or openings in electrical panels (capped wires do not pose a risk)
	Electrical Hazards - Water Leaks on/near Electrical Equipment	Any water leaking, puddling or ponding on or immediately near any electrical apparatus that could pose a risk of fire, electrocution or explosion
	Emergency Fire Exits - Emergency/Fire Exits Blocked/Unusable	The exit cannot be used or exit is limited because a door or window is nailed shut, a lock is broken, panic hardware is chained, debris, storage, or other conditions block exit
	Emergency Fire Exits - Missing Exit Signs	Exit signs that clearly identify all emergency exits are missing or there is no illumination in the area of the sign
	Flammable Materials - Improperly Stored	Flammable materials are improperly stored, causing the potential risk of fire or explosion

Garbag	bage and Debris - Indoors	Too much garbage has gathered-more than the planned storage capacity or garbage has gathered in an area not sactioned for staging or storing garbage or debris
Garbag	bage and Debris - Outdoors	Too much garbage has gathered-more than the planned storage capacity or garbage has gathered in an area not sanctioned for staging or storing garbage or debris
Hazard	ards - Other	Any general defects or hazards that pose risk of bodily injury

	Hazards - Sharp Edges	Any physical defect that could cause cutting or breaking of human skin or other bodily harm
	Hazards - Tripping	Any physical defect in walkways or other travelled area that poses a tripping risk
	Infestation - Insects	Evidence of infestation of insects-including roaches and ants-throughout a unit or room, food preperation or storage area or other area of building substantial enough to present a health and safety risk
	Infestation - Rats/Mice/Vermin	Evidence of rats or micesightings, rat or mouse holes, or droppings substantial enough to present a health and safety risk
Hot Water Heater	Misaligned Chimney/Ventilation System	Any misalignment that may cause improper or dangerous venting of gases
	Inoperable Unit/Components	Hot water from hot water taps is no warmer than room temperature indicating hot water heater is not functioning properly
	Leaking Valves/Tanks/Pipes	There is evidence of active water leaks from hot water heater or related components
	Pressure Relief Valve Missing	There is no pressure relief valve or pressure relief valve does not drain down to the floor
	Rust/Corrosion	Significant formations of metal oxides, flaking, or discolorationor a pit or crevice
HVAC System	Convection/Radiant Heat System Covers Missing/Damaged	Cover is missing or substantially damaged, allowing contact with heating/surface elements or associated fans
	Inoperable	HVAC does not function. It does not provide the heating and coolingit should. The system does not respond when the controls are engaged
	Misaligned Chimney/Ventilation System	Any misalignment that may cause improper or dangerous venting of gases
	Noisy/Vibrating/Leaking	The HVAC system shows signs of abnormal vibrations, other noise, or leaks when engaged
	Rust/Corrosion	Deterioration from rust or corrosion on the HVAC system in the dweling unit
Kitchen	Cabinets - Missing/Damaged	10% or more of cabinet, doors, or shelves are missing or the laminate is separating
	Countertops - Missing/Damaged	10% or more of the countertop working surface is missing, deteriorated, or damaged below the laminate not a sanitary surface to prepare food
	Dishwasher/Garbage Disposal - Inoperable	The dishwasher or garbage disposal does not operate as it should
	Plumbing - Clogged Drains	Drain is substantially or completely clogged or has suffered extensive deterioration
	Plumbing - Leaking Faucet/Pipes	A steady leak that is adversely affecting the surrounding area
	Range Hood/Exhaust Fans - Excessive Grease/Inoperable	A substantial accumulation of dirt or grease that threatens the free passage of air
	Range/Stove - Missing/Damaged/Inoperable	One or more burners are not functioning or doors or drawers are impeded or on gas ranges pilot is out and/or flames are not distributed equally or oven not functioning
	Refrigerator-Missing/Damaged/Inoperable	The refrigerator has an extensive accumilation of ice or the seals around the doors are deteriorated or is damaged in any way which substantially impacts its performance
	Sink - Damaged/Missing	Any cracks in sink through which water can pass or extensive discoloration over more than 10% of the sink surface or sink is missing
Laundry Area (Room)	Dryer Vent - Missing/Damaged/Inoperable	The dryer vent is missing or it is not functioning because it is blocked. Dryer exhaust is not effectively vented to the outside
Lighting	Missing/Inoperable Fixture	A permanent light fixture is missing or not functioning, and no other switched light source is functioning in the room
Outlets/Switches	Missing	An outlet or switch is missing
	Missing/Broken Cover Plates	An outlet or switch has a broken cover plate over a junction box or the cover plate is missing
Patio/Porch/Balcony	Baluster/Side Railings Damaged	Any damaged or missing balusters or side rails that limit the safe use of an area
Smoke Detector	Missing/Inoperable	Smoke detector is missing or does not function as it should
Stairs	Broken/Damaged/Missing Steps	A step is missing or broken
	Broken/Missing Hand Railing	The hand rail is missing, damaged, loose or otherwise unusable
Walls	Bulging/Buckling	Bulging, buckling or sagging walls or a lack of horizontal alignment
	Damaged	Any hole in wall greater than 2 inches by 2 inches
	Damaged/Deteriorated Trim	10% or more of the wall trim is damaged
	Peeling/Needs Paint	10% or more of interior wall paint is peeling or missing
	Water Stains/Water Damage/Mold/Mildew	Evidence of a leak, mold or mildew covering a wall area greater than 1 foot square
Windows	Cracked/Broken/Missing Panes	Any missing panes of glass or cracked pains of glass where the crack is either greater than 4" and/or substantial enough to impact the structural integrity of the window pane
	Damaged Window Sill	The sill is damaged enough to expose the inside of the surrounding walls and compromise its weather tightness
	Missing/Deteriorated Caulking/Seals/Glazing Compound	There are missing or deteriorated caulk or sealswith evidence of leaks or damage to the window or surrounding structure
	Inoperable/Not Lockable	Any window that is not functioning or cannot be secured because lock is brocken
	Peeling/Needs Paint	More than 10% of interior window paint is peeling or missing
	Security Bars Prevent Egress	The ability to exit through the window is limited by security bars that do not function properly and, therefore, pose safety risks